

AMENDED IN SENATE JUNE 14, 2013

AMENDED IN SENATE JUNE 13, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

## ASSEMBLY BILL

**No. 86**

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**Introduced by Committee on Budget (Blumenfield (Chair), Bloom, Bonilla, Campos, Chesbro, Daly, Dickinson, Gordon, Jones-Sawyer, Mitchell, Mullin, Muratsuchi, Nazarian, Skinner, Stone, and Ting)**

January 10, 2013

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An act to amend Sections 8150, 8151, 8152, 8153.5, 8154, 8155, 8239, 8263, 8263.1, 8335.4, 8335.5, 8335.7, 8344, 8346, 8447, 17457.5, 17463.7, 17592.71, 41203.1, 41325, 41329.52, 41329.53, 41329.55, 41329.57, 41365, 41366.6, 41367, 47612, 47614.5, 49430.5, 52055.770, 56520, 56523, 56525, 56836.02, 56836.08, 56836.10, 56836.11, 56836.15, 56836.22, 56836.23, 60810, 79146, 79148, and 84043 of, to amend, add, and repeal Section 84321.6 of, to add Sections 8150.5, 44374.5, 56521.1, 56521.2, 56836.145, 56836.31, 66025.92, 79149, 79149.1, 79149.2, 79149.3, 79149.4, 79149.5, and 79149.6 to, to add Article 11.5 (commencing with Section 8273) to Chapter 2 of Part 6 of Division 1 of Title 1 of, to add Article 3 (commencing with Section 84830) to Chapter 5 of Part 50 of Division 7 of Title 3 of, to repeal Sections 8156, 38092, 38102, 47614.7, 56836.12, 56836.13, 56836.14, 56836.24, 56836.25, and 56836.30 of, to repeal Article 7 (commencing with Section 84381) of Chapter 3 of Part 50 of Division 7 of Title 3 of, and to repeal and add Section 14041.6 of, the Education Code, to amend Sections 17581.5, 17581.6, 17581.7, 63049.67, and 63049.68 of the Government Code, and to repeal Section 10 of Chapter 325 of the Statutes of 2012, relating to education finance, and making an

appropriation therefor, to take effect immediately, bill related to the budget.

LEGISLATIVE COUNSEL'S DIGEST

AB 86, as amended, Committee on Budget. Education finance: education omnibus trailer bill.

(1) Existing law establishes procedures and reimbursement provisions for the attendance of apprentices at high schools, unified school districts, regional occupational centers or programs, community colleges, and adult schools under vocational education programs standards that are established with the participation of the State Department of Education, the Chancellor of the California Community Colleges, and the Division of Apprenticeship Standards of the Department of Industrial Relations.

This bill would revise the role of the State Department of Education in these programs, and would, among other things, establish standards for the provision of state funding and reimbursements for these programs at high schools, unified school districts, regional occupational centers or programs, and adult schools separate from these programs at community colleges. The bill would require, by March 15, 2014, the Chancellor of the California Community Colleges and the Division of Apprenticeship Standards of the Department of Industrial Relations, with equal participation by specified entities, to develop common administrative practices and treatment of costs and services, as well as other policies related to apprenticeship programs.

(2) Existing law, the Child Care and Development Services Act, administered by the State Department of Education, requires the Superintendent of Public Instruction to administer child care and development programs that offer a full range of services for eligible children from infancy to 13 years of age. Existing law requires the Superintendent to establish a fee schedule for families using child care and development services pursuant to the act, and limits a contractor's ability to charge additional fees. Existing law exempts families that meet certain criteria from family fees for a cumulative period of up to 12 months.

This bill would instead require the Superintendent to establish a revised fee schedule for families using preschool and child care and development services. The bill would require the Superintendent to first submit the adjusted family fee schedule to the Department of Finance for approval. The bill would require that families be assessed a flat

monthly fee, based on income, as specified, certified family need for full-time or part-time care services, and enrollment, and not based on attendance, as specified. The bill would require that the family fee schedule differentiate between fees for part-time care and full-time care and that the family fee be assessed at initial enrollment and reassessed as specified. The bill would also state the Legislature's intent that new family fees be cost neutral to the state and generate roughly the same amount of revenue as was generated under the previous family fee schedule. The bill would specify that the family fee schedule that was in effect for the 2012–13 fiscal year shall remain in effect for the 2013–14 fiscal year until as specified. The bill would make organizational, conforming, and nonsubstantive changes.

(3) Existing law requires the Superintendent of Public Instruction to encourage state preschool program applicants or contracting agencies to offer full-day services through a combination of part-day preschool slots and wraparound general child care and development programs, as defined. Existing law also requires fees to be assessed and collected for families with children in part-day preschool programs, or families receiving wraparound child care services, or both, as provided.

This bill would require the Superintendent to annually report to the Department of Finance, on or before October 1 of each year, the fees collected from families who have children enrolled in the California state preschool program, as specified.

(4) Existing law provides for income eligibility standards for families to receive child care and development services. Existing law provides that “income eligible,” for the purposes of the Child Care and Development Services Act, means that a family's adjusted monthly income is at or below 70% of the state median income, adjusted for family size, and adjusted annually. Notwithstanding this provision, existing law requires, for the 2012–13 fiscal year, the income eligibility limits to be 70% of the state median income that was in use for the 2007–08 fiscal year, adjusted for family size.

This bill would require, notwithstanding these provisions, for the 2013–14 fiscal year, the income eligibility limits to be 70% of the state median income that was in use for the 2007–08 fiscal year, adjusted for family size.

(5) Existing law authorizes the City and County of San Francisco, until July 1, 2014, and as a pilot project, to develop and implement an individualized county child care subsidy plan, requires the city and county, on or before June 30, 2014, to submit a final report to the

Legislature and other specified entities that summarizes the impact of the plan, requires the city and county to phase out the plan and implement the state's requirements for child care subsidies as of July 1, 2016, and repeals these provisions on January 1, 2017.

This bill would instead authorize the City and County of San Francisco to implement the individualized county child care subsidy plan until July 1, 2015, require the city and county to phase out the plan and implement the state's requirements for child care subsidies as of July 1, 2017, require the city and county to submit the final report on or before June 30, 2015, and repeal these provisions on January 1, 2018.

(6) Existing law, until January 1, 2014, authorizes the County of San Mateo to implement an individualized county child care subsidy plan, and requires the county to phase out the plan between January 1, 2014, and January 1, 2016. Existing law provides for the repeal of these provisions on January 1, 2016.

This bill would instead authorize the County of San Mateo to implement the individualized county child care subsidy plan until January 1, 2015, require the county to phase out the plan between January 1, 2015, and January 1, 2017, and repeal these provisions on January 1, 2017.

(7) Existing law requires the Controller to draw warrants on the State Treasury in each month of the year for the purpose of funding school districts, county superintendents of schools, and community college districts. Existing law defers the drawing of specified warrants until later dates.

This bill would revise and recast a provision authorizing the deferral of several specified warrants.

(8) Existing law, which becomes inoperative on June 30, 2013, and is repealed on January 1, 2014, requires the governing board of a school district seeking to sell or lease real property designed to provide direct instruction or instructional support that the governing board deems to be surplus property to first provide a written offer to sell or lease that property to any charter school that has submitted a written request to the school district to be notified of surplus real property offered by the school district for sale or lease, as specified.

This bill would delete the repeal provision, thereby extending the operation of this provision indefinitely. The bill would revise the procedures and requirements for the sale of surplus property to charter schools, and would limit the provisions to charter schools that, at the

time of the offer, have projections of at least 80 units of in-district average daily attendance for the following fiscal year.

(9) Existing law, until January 1, 2014, authorizes a school district to deposit the proceeds from the sale of surplus real property, together with any personal property located on that property, purchased entirely with local funds, into the general fund of the school district and to use those proceeds for any one-time general fund purpose. Existing law requires the Office of Public School Construction to submit a final report, by January 1, 2014, to the State Allocation Board and certain committees of the Legislature relating to school districts that have exercised authority pursuant to those provisions.

This bill would extend the operation of those provisions to January 1, 2016, and would revise the date on which the final report is required to be submitted from January 1, 2014, to January 1, 2015.

(10) Existing law establishes the School Facilities Emergency Repair Account in the State Treasury, and requires the State Allocation Board to administer the account. Existing law establishes the Proposition 98 Reversion Account in the General Fund, and requires that the Legislature, from time to time, transfer into this account moneys previously appropriated in satisfaction of the constitutional minimum funding requirements that have not been disbursed or otherwise encumbered for the purposes for which they were appropriated. Existing law generally requires an amount, equaling 50% of the unappropriated balance of the Proposition 98 Reversion Account or \$100,000,000, whichever is greater, to be transferred in the annual Budget Act from the Proposition 98 Reversion Account to the School Facilities Emergency Repair Account. However, the amount to be transferred under this provision was set at \$0 for the 2009–10, 2010–11, 2011–12, and 2012–13 fiscal years.

This bill would also set the amount to be transferred for the 2013–14 fiscal year to \$0.

(11) Existing law authorizes the governing board of any school district with an average daily attendance of over 100,000 to allow as an expenditure from the cafeteria fund or account a share of money that is generated from the joint sale of items between the cafeteria and the associated student body student store, and also authorizes the governing board of a school district operating school cafeterias to establish and maintain a cafeteria equipment reserve, as specified.

This bill would repeal those provisions.

(12) Existing law requires, for the 1990–91 fiscal year and each fiscal year thereafter, that moneys to be applied by the state for the support of school districts, community college districts, and direct elementary and secondary level instructional services provided by the state be distributed in accordance with certain calculations governing the proration of those moneys among the 3 segments of public education. Existing law makes that provision inapplicable to the 1992–93 to 2012–13 fiscal years, inclusive.

This bill would also make that provision inapplicable to the 2013–14 fiscal year.

(13) Existing law provides that when a school district becomes insolvent and requires an emergency apportionment from the state, that the Superintendent of Public Instruction, operating through an appointed administrator, take specified actions, including, among others, implementing substantial changes in the school district’s fiscal policies and practices, and sets forth the administrator’s powers and responsibilities in that regard.

This bill would authorize the Superintendent to also appoint a trustee with the powers and responsibilities of an administrator.

(14) Existing law authorizes a school district to receive an advance of apportionments owed to the school district by the State School Fund in accordance with specified procedures and requirements.

This bill would specify that a school district is authorized to receive an advance of apportionments owed to the school district from the State School Fund and the Education Protection Account. The bill would also make conforming changes to related sections in the Government Code.

(15) Existing law establishes the Charter School Revolving Loan Fund in the State Treasury, and authorizes loans to be made from the fund to qualifying charter schools. Existing law establishes the Charter School Security Fund, and authorizes deposits to be made from that fund into the Charter School Revolving Loan Fund in case of a default on a loan made from the latter fund. Under existing law, these funds are administered by the State Department of Education.

This bill would require the California School Finance Authority to administer the Charter School Revolving Loan Fund and the Charter School Security Fund commencing with the 2013–14 fiscal year.

(16) Existing law establishes the Commission on Teacher Credentialing for, among other purposes, the establishment of professional standards, assessments, and examinations for entry and advancement in the teaching profession.

This bill would authorize the commission to charge fees to recover the costs of reviewing new educator preparation programs and specified accreditation activities, as provided.

(17) The Charter Schools Act of 1992 provides procedures for the calculation of average daily attendance for the purpose of funding charter schools.

This bill would revise certain of these procedures, and specifically prohibit a charter school pupil from generating more than one day of attendance in a calendar day.

(18) Existing law establishes the Charter School Facility Grant Program to provide assistance with facilities rent and lease costs for pupils in charter schools, and requires the State Department of Education to allocate annually facilities grants to eligible charter schools.

This bill would revise and recast the statutes controlling the Charter School Facility Grant Program, and, commencing with the 2013–14 fiscal year, place it under the administration of the California School Finance Authority rather than the department.

(19) Existing law sets the reimbursement a school receives for free and reduced-price meals sold or served to pupils in elementary, middle, or high schools to be \$0.21, as adjusted annually for increases in cost of living, as specified.

This bill would set the reimbursement amount to \$0.2229 per meal, and, for meals served in child care centers and homes, to \$0.1660 per meal.

(20) The existing Quality Education Investment Act of 2006 effectuates the intent of the Legislature to implement the terms of the proposed settlement agreement of a specified legal action, to provide for the discharge of the minimum state educational funding requirement, to improve the quality of academic instruction and the level of pupil achievement in schools whose pupils have high levels of poverty and complex educational needs, to develop exemplary school district and school practices that will create working conditions and classroom learning environments that will attract and retain well qualified teachers, administrators, and other staff, and to focus school resources solely on instructional improvement and pupil services. The act appropriates specified funds for these purposes.

This bill would adjust certain calculations and appropriations made pursuant to these provisions.

(21) Existing law makes legislative findings and declarations that the state has continually sought to provide an appropriate and meaningful

educational program in a safe and healthy environment for all children regardless of possible physical, mental, or emotionally disabling conditions and that teachers of children with special needs require training and guidance that provides positive ways for working successfully with children who have difficulties conforming to acceptable behavior patterns. Existing law provides for the implementation of a program governing the use of behavior interventions for individuals with exceptional needs.

This bill would delete the legislative finding and declaration relating to teachers of children with special needs, and add certain findings and declarations relating to behavioral interventions.

The bill would require that emergency behavioral interventions be used only to control unpredictable, spontaneous behavior that poses clear and present danger of serious physical harm to the individual with exceptional needs or others, and that cannot be prevented by a response less restrictive than the temporary application of a technique used to contain the behavior. The bill would require that emergency interventions be documented in reports, as provided, and would require specified teams to review these reports. The bill would prohibit certain types of interventions by an agency serving individuals with exceptional needs, including electric shock, the release of toxic or noxious sprays or mists, or locked seclusion, except when seclusion is used as specified.

The bill would require the Superintendent of Public Instruction to repeal regulations regarding the use of behavioral interventions that are no longer supported by statute, as specified.

(22) Existing law provides for the calculation of apportionments to fund the provision of special education instruction and services for pupils who qualify for these programs.

This bill would make numerous adjustments in the calculations of apportionments related to the funding for special education.

(23) Existing law requires the Superintendent of Public Instruction to review existing tests that assess the English language development of pupils whose primary language is a language other than English. Existing law requires pupils in kindergarten and grade 1 to be assessed in English listening and speaking, and, once an assessment is developed, early literacy skills. Existing law requires an early literacy assessment to be administered for a period of 3 years or until July 1, 2012, whichever occurs first, and requires the State Department of Education to report to the Legislature, no later than January 1, 2013, on early literacy assessment results.



The bill would instead require the early literacy assessment to be administered for 4 years or until July 1, 2014, and would require the department to submit the report on early literacy assessments results for the first 3 administered assessments no later than June 30, 2013.

(24) Existing law requires the California State University and each community college district, and requests the University of California, with respect to each campus in their respective jurisdictions that administers a priority enrollment system, to grant priority registration for enrollment to a foster youth or former foster youth, as defined.

This bill would require each community college district that administers a priority enrollment system to grant priority registration for enrollment to any student who is a recipient of aid under the California Work Opportunity and Responsibility to Kids program. By requiring additional students to receive priority registration at community college districts, the bill would impose a state-mandated local program.

(25) Existing law establishes the California Community Colleges, under the administration of the Board of Governors of the California Community Colleges, as one of the segments of public postsecondary education in this state. Existing law, for the 2009–10 to 2014–15 fiscal years, inclusive, authorizes a community college district to use funds apportioned to the community college district for certain programs, including, among other programs, apprenticeship and matriculation programs, for purposes of a prescribed list of programs contained in the Budget Act of 2009.

This bill would remove the authorization for a community college district to use funds appropriated for apprenticeship and matriculation for purposes of the prescribed list of programs contained in the Budget Act of 2009.

(26) Existing law creates in the State Treasury the Community College Fund for Instructional Improvement, which consists of a revolving loan program and a direct grant program to support alternative educational programs and services for California Community Colleges, as specified.

This bill would repeal those provisions.

(27) Existing law specifies noncredit courses and classes in the various campuses of the California Community Colleges that are eligible for state funding.

This bill would require the Chancellor of the California Community Colleges and the State Department of Education, pursuant to funding

made available in the annual Budget Act, to jointly provide 2-year planning and implementation grants to regional consortia of community college districts and school districts for the purpose of developing regional plans for adult education, as specified. The bill would require the chancellor and the department to submit a joint report relating to the program to the Legislature and the Governor on or before March 1, 2014.

(28) Under the California Constitution, whenever the Legislature or a state agency mandates a new program or higher level of service on any local government, including a school district and a community college district, the state is required to provide a subvention of funds to reimburse the local government, with specified exceptions. Existing law provides that, under certain conditions, a school district or community college district is not required to implement or give effect to certain statutes, or portions of statutes, determined to mandate a new program or higher level of service.

This bill would expand the list of programs that a school district or community college district would not have to implement under those conditions.

(29) Existing law, commencing with the 2012–13 fiscal year, requires certain funds appropriated in the annual Budget Act for reimbursement of the cost of a new program or increased level of service of an existing program mandated by statute or executive order to be available as a block grant to school districts, charter schools, county offices of education, and community college districts, to support specified state-mandated local programs. Existing law provides that a school district, charter school, county office of education, or community college district that submits a letter of intent to the Superintendent of Public Instruction or the Chancellor of the California Community Colleges, as appropriate, and receives this block grant funding is not eligible to submit a claim for reimbursement for those specified mandated programs for the fiscal year for which the block grant funding is received.

This bill would prescribe procedures and requirements for school districts, county offices of education, charter schools, and community college districts that elect to receive block grant funding for designated mandated programs. The bill would revise the list of specified state-mandated local programs that are subject to these provisions that authorize block grant funding in lieu of program-specific reimbursement.

(30) Existing law appropriates a sum of up to \$29,000,000 from the General Fund to the Superintendent of Public Instruction for

apportionment to the Inglewood Unified School District for the purpose of an emergency loan. Existing law requires the Inglewood Unified School District to enter into bank financing with the California Infrastructure and Economic Development Bank upon terms the bank, in its discretion, deems necessary or appropriate for purposes of financing or refinancing the emergency apportionment. Existing law authorizes the school district to augment the emergency loan with an additional \$26,000,000 of bank financing, arranged as specified.

This bill would repeal the provisions requiring the Inglewood Unified School District to enter into bank financing or refinancing of the emergency apportionment and authorizing the school district to augment the emergency loan. The bill would instead authorize the Inglewood Unified School District, through the State Department of Education, to request cashflow loans from the General Fund for a total of \$55,000,000. The bill would require the Controller, upon order of the Director of Finance, to draw warrants against General Fund cash to the Inglewood Unified School District once a loan is approved by the Director of Finance, thereby making an appropriation. The bill would specify conditions to be followed by the school district in receiving the funds and repaying the loan. The bill would make legislative findings and declarations as to the necessity of a special statute for the Inglewood Unified School District.

(31) This bill would provide that, of the amount allocated in a specified schedule of the Budget Act of 2011, \$8,954,000 would be provided to fully fund maintenance of effort in the special education program in designated fiscal years.

(32) This bill would appropriate \$1,250,000,000 from the General Fund to the Superintendent of Public Instruction for transfer to Section A of the State School Fund to support the integration of academic content standards in instruction, as specified. The bill would require the Superintendent to apportion these funds to school districts, county offices of education, charter schools, and the state special schools using an equal rate per pupil based on prior year enrollment. The bill would require the school districts, county offices of education, charter schools, or state special schools receiving these funds to use them for certain purposes, including professional development of teachers, administrators, and paraprofessional educators or other classified employees involved in the direct instruction of pupils, as specified. The bill would require, as a condition of receiving funds apportioned pursuant to the bill, a school district, county office of education, charter

school, or state special school to adopt a plan delineating how the funds shall be spent and to report detailed expenditure information to the State Department of Education on or before July 1, 2015, as specified. The bill would require the department to provide a summary of the expenditure information provided to it to the appropriate budget subcommittees and policy committees of the Legislature and to the Department of Finance on or before January 1, 2016.

(33) This bill would ~~appropriate \$250,000,000 from the General Fund to the Superintendent of Public Instruction for transfer to Section A of the State School Fund~~ *provide for the expenditure of funds appropriated by the Budget Act of 2013 for the establishment of the California Career Pathways Trust*. The bill would require these funds to be apportioned, as specified, to school districts, county superintendents of schools, charter schools, and community college districts as competitive grants to be available for expenditure in the 2013–14 to 2015–16 fiscal years, inclusive. The bill would require the Superintendent to consult with the Chancellor of the California Community Colleges and organizations representing businesses in considering grant applications pursuant to those provisions. The bill would require recipients of grants and the Superintendent to report specified outcome measures to the Department of Finance and to the relevant policy and fiscal committees of the Legislature no later than December 1, 2016.

(34) This bill would require amounts to be determined by the Director of Finance to be appropriated from the General Fund to the Board of Governors of the California Community Colleges, on or before June 30, 2013, and on or before June 30, 2014, in the event that specified revenues distributed to community colleges are less than estimated amounts reflected in the Budget Acts of 2012 and 2013, respectively.

(35) This bill would require that an amount to be determined by the Director of Finance would be appropriated, on or before June 30, 2014, from the General Fund to the Superintendent of Public Instruction for specified special education programs.

(36) This bill would require that the funds appropriated pursuant to designated items of the Budget Act of 2013 be encumbered by July 31, 2014, thus extending the encumbrance authority connected with those items by one month. The bill would state that this extension is provided due to the effect of the deferral of the June 2014 principal apportionment on those budget items.

(37) This bill would make conforming changes, correct cross-references, and make other nonsubstantive changes.

(38) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

(39) Funds appropriated by this bill would be applied toward the minimum funding requirements for school districts and community college districts imposed by Section 8 of Article XVI of the California Constitution.

(40) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Vote: majority. Appropriation: yes. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 8150 of the Education Code is amended  
2 to read:

3 8150. (a) The Chancellor of the California Community  
4 Colleges shall be responsible for allocating funds for apprenticeship  
5 programs in good standing and approved pursuant to Chapter 4  
6 (commencing with Section 3070) of Division 3 of the Labor Code  
7 for the secondary education system.

8 (b) Upon an appropriation by the Legislature, the Chancellor  
9 of the California Community Colleges shall allocate funds solely  
10 for the purposes of this article consistent with the subdivision (e)  
11 of Section 8152.

12 (c) For purposes of this article, a “local educational agency” is  
13 defined as a school district or a county office of education

14 SEC. 2. Section 8150.5 is added to the Education Code, to  
15 read:

16 8150.5. Attendance of apprentices enrolled in any class  
17 maintained by a high school, unified school district, regional  
18 occupation center or program, or adult school, pursuant to Section  
19 3074 of the Labor Code, shall be reimbursed pursuant to Section  
20 8152 only if reported separately to the Chancellor of the California

1 Community Colleges. Attendance reported pursuant to this section  
2 shall be used only for purposes of calculating allowances pursuant  
3 to Section 8152.

4 SEC. 3. Section 8151 of the Education Code is amended to  
5 read:

6 8151. An apprentice attending a high school, unified school  
7 district, regional occupational center or program, or adult school  
8 in classes of related and supplemental instruction as provided under  
9 Section 3074 of the Labor Code and in accordance with the  
10 requirements of subdivision (d) of Section 3078 of the Labor Code  
11 shall be exempt from the requirements of any interdistrict  
12 attendance agreement for those classes.

13 SEC. 4. Section 8152 of the Education Code is amended to  
14 read:

15 8152. (a) The reimbursement rate shall be established in the  
16 annual Budget Act and the rate shall be commonly applied to all  
17 providers of instruction specified in subdivision (d).

18 (b) For purposes of this section, each hour of teaching time may  
19 include up to 10 minutes of passing time and breaks.

20 (c) This section also applies to isolated apprentices, as defined  
21 in Section 3074 of the Labor Code, for which alternative methods  
22 of instruction are provided.

23 (d) The Chancellor of the California Community Colleges shall  
24 make the reimbursements specified in this section for teaching  
25 time provided by high schools, unified school districts, regional  
26 occupational centers or programs, or adult schools.

27 (e) The hours for related and supplemental instruction derived  
28 from funds appropriated pursuant to subdivision (b) of Section  
29 8150 shall be allocated by the Chancellor of California Community  
30 Colleges directly to participating local educational agencies that  
31 contract with apprenticeship programs pursuant to subdivision (f).

32 (f) Reimbursements may be made under this section for related  
33 and supplemental instruction provided to indentured apprentices  
34 only if the instruction is provided by a program approved by the  
35 Division of Apprenticeship Standards in the Department of  
36 Industrial Relations in accordance with Chapter 4 (commencing  
37 with Section 3070) of Division 3 of the Labor Code.

38 (g) The initial allocation of hours made pursuant to subdivision  
39 (e) for related and supplemental instruction at the beginning of  
40 any fiscal year when multiplied by the hourly reimbursement rate

1 shall equal 100 percent of the total appropriation for  
2 apprenticeships.

3 (h) If funds remain from the appropriation pursuant to  
4 subdivision (b) of Section 8150, the Chancellor of the California  
5 Community Colleges shall reimburse local educational agencies  
6 for unfunded related and supplemental instruction hours from any  
7 of the three previous fiscal years, in the following order:

8 (1) Reported related and supplemental instruction hours as  
9 described in subdivision (b) of Section 8154 that were paid at a  
10 rate less than the hourly rate specified in the Budget Act.

11 (2) Reported related and supplemental instruction hours that  
12 were not reimbursed.

13 SEC. 5. Section 8153.5 of the Education Code is amended to  
14 read:

15 8153.5. For purposes of the California Firefighter Joint  
16 Apprenticeship Program, classes of related and supplemental  
17 instruction that qualify for funding pursuant to Section 8152  
18 include, but are not limited to, classes that meet both of the  
19 following requirements:

20 (a) The classes are conducted at the workplace.

21 (b) The person providing instruction is qualified, by means of  
22 education or experience, as a journeyman and shares the  
23 responsibility for supervision of the apprentices participating in  
24 the classes with the certified community college or adult education  
25 coordinator.

26 SEC. 6. Section 8154 of the Education Code is amended to  
27 read:

28 8154. (a) The Chancellor of the California Community  
29 Colleges, in consultation with the Division of Apprenticeship  
30 Standards of the Department of Industrial Relations and the  
31 Superintendent, shall annually review the amount of state funding  
32 necessary to provide the reimbursements specified in Section 8152,  
33 and shall include an estimate of required funds in its budget for  
34 each fiscal year.

35 (b) If the amounts appropriated in any fiscal year are insufficient  
36 to provide full reimbursement, the hourly rate specified in Section  
37 8152 shall be reduced on a pro rata basis only for reported hours  
38 that are in excess of the number of hours allocated at the beginning  
39 of the fiscal year so that the entire appropriation is allocated.

1 (c) If the amount appropriated is in excess of the amounts needed  
2 for full reimbursement pursuant to subdivision (h) of Section 8152,  
3 any excess shall be allocated to school and community college  
4 districts to be used for the purpose of the state general  
5 apportionment.

6 SEC. 7. Section 8155 of the Education Code is amended to  
7 read:

8 8155. (a) The Chancellor of the California Community  
9 Colleges and the Division of Apprenticeship Standards of the  
10 Department of Industrial Relations, in consultation with the  
11 Superintendent, shall jointly develop a model format for  
12 agreements between apprenticeship programs and local educational  
13 agencies for instruction pursuant to Section 3074 of the Labor  
14 Code.

15 (b) By March 15, 2014, the Chancellor of the California  
16 Community Colleges and the Division of Apprenticeship Standards  
17 of the Department of Industrial Relations, with equal participation  
18 by local educational agencies and community college  
19 apprenticeship administrators, shall develop common  
20 administrative practices and treatment of costs and services, as  
21 well as other policies related to apprenticeship programs. Any  
22 policies developed pursuant to the this subdivision shall become  
23 operative upon approval by the California Apprenticeship Council.

24 (c) Apprenticeship programs offered through local educational  
25 agencies may maintain their existing curriculum and instructors  
26 separate from the requirements of the California Community  
27 Colleges. The person providing instruction may be a qualified  
28 journeyperson with experience and knowledge of the trade.

29 SEC. 8. Section 8156 of the Education Code is repealed.

30 SEC. 9. Section 8239 of the Education Code is amended to  
31 read:

32 8239. The Superintendent shall encourage state preschool  
33 program applicants or contracting agencies to offer full-day  
34 services through a combination of part-day preschool slots and  
35 wraparound general child care and development programs. In order  
36 to facilitate a full-day of services, all of the following shall apply:

37 (a) Part-day preschool programs provided pursuant to this  
38 section shall operate between 175 and 180 days.

39 (b) Wraparound general child care and development programs  
40 provided pursuant to this section may operate a minimum of 246



1 days per year unless the child development contract specified a  
2 lower minimum days of operation. Part-day general child care and  
3 development programs may operate a full-day for the remainder  
4 of the year after the completion of the preschool program.

5 (c) Part-day preschool services combined with wraparound child  
6 care services shall be reimbursed at no more than the full-day  
7 standard reimbursement rate for general child care programs with  
8 adjustment factors, pursuant to Section 8265 and as determined in  
9 the annual Budget Act.

10 (d) Three- and four-year-old children are eligible for wraparound  
11 child care services to supplement the part-day California state  
12 preschool program if the family meets at least one of the criteria  
13 specified in paragraph (1) of subdivision (a) of Section 8263, and  
14 the parents meet at least one of the criteria specified in paragraph  
15 (2) of subdivision (a) of Section 8263.

16 (e) Fees shall be assessed and collected for families with children  
17 in part-day preschool programs, or families receiving wraparound  
18 child care services, or both, pursuant to Article 11.5 (commencing  
19 with Section 8273).

20 (f) The Superintendent shall annually report to the Department  
21 of Finance, on or before October 1 of each year, the fees collected  
22 from families who have children enrolled in the California state  
23 preschool program. The report shall distinguish between family  
24 fees collected for part-day preschool programs and fees collected  
25 for wraparound child care services.

26 (g) For purposes of this section, “wraparound child care  
27 services” and “wraparound general child care and development  
28 programs” mean services provided for the remaining portion of  
29 the day or remainder of the year following the completion of  
30 part-day preschool services that are necessary to meet the child  
31 care needs of parents eligible pursuant to subdivision (a) of Section  
32 8263. These services shall be provided consistent with the general  
33 child care and development programs provided pursuant to Article  
34 8 (commencing with Section 8240).

35 SEC. 10. Section 8263 of the Education Code is amended to  
36 read:

37 8263. (a) The Superintendent shall adopt rules and regulations  
38 on eligibility, enrollment, and priority of services needed to  
39 implement this chapter. In order to be eligible for federal and state

1 subsidized child development services, families shall meet at least  
2 one requirement in each of the following areas:

3 (1) A family is (A) a current aid recipient, (B) income eligible,  
4 (C) homeless, or (D) one whose children are recipients of protective  
5 services, or whose children have been identified as being abused,  
6 neglected, or exploited, or at risk of being abused, neglected, or  
7 exploited.

8 (2) A family needs the child care services (A) because the child  
9 is identified by a legal, medical, or social services agency, or  
10 emergency shelter as (i) a recipient of protective services or (ii)  
11 being neglected, abused, or exploited, or at risk of neglect, abuse,  
12 or exploitation, or (B) because the parents are (i) engaged in  
13 vocational training leading directly to a recognized trade,  
14 paraprofession, or profession, (ii) employed or seeking  
15 employment, (iii) seeking permanent housing for family stability,  
16 or (iv) incapacitated.

17 (b) Except as provided in Article 15.5 (commencing with Section  
18 8350), priority for federal and state subsidized child development  
19 services is as follows:

20 (1) (A) First priority shall be given to neglected or abused  
21 children who are recipients of child protective services, or children  
22 who are at risk of being neglected or abused, upon written referral  
23 from a legal, medical, or social services agency. If an agency is  
24 unable to enroll a child in the first priority category, the agency  
25 shall refer the family to local resource and referral services to  
26 locate services for the child.

27 (B) A family who is receiving child care on the basis of being  
28 a child at risk of abuse, neglect, or exploitation, as defined in  
29 subdivision (k) of Section 8208, is eligible to receive services  
30 pursuant to subparagraph (A) for up to three months, unless the  
31 family becomes eligible pursuant to subparagraph (C).

32 (C) A family may receive child care services for up to 12 months  
33 on the basis of a certification by the county child welfare agency  
34 that child care services continue to be necessary or, if the child is  
35 receiving child protective services during that period of time, and  
36 the family requires child care and remains otherwise eligible. This  
37 time limit does not apply if the family's child care referral is  
38 recertified by the county child welfare agency.

39 (2) Second priority shall be given equally to eligible families,  
40 regardless of the number of parents in the home, who are income

1 eligible. Within this priority, families with the lowest gross monthly  
2 income in relation to family size, as determined by a schedule  
3 adopted by the Superintendent, shall be admitted first. If two or  
4 more families are in the same priority in relation to income, the  
5 family that has a child with exceptional needs shall be admitted  
6 first. If there is no family of the same priority with a child with  
7 exceptional needs, the same priority family that has been on the  
8 waiting list for the longest time shall be admitted first. For purposes  
9 of determining order of admission, the grants of public assistance  
10 recipients shall be counted as income.

11 (3) The Superintendent shall set criteria for, and may grant  
12 specific waivers of, the priorities established in this subdivision  
13 for agencies that wish to serve specific populations, including  
14 children with exceptional needs or children of prisoners. These  
15 new waivers shall not include proposals to avoid appropriate fee  
16 schedules or admit ineligible families, but may include proposals  
17 to accept members of special populations in other than strict income  
18 order, as long as appropriate fees are paid.

19 (c) Notwithstanding any other law, in order to promote  
20 continuity of services, a family enrolled in a state or federally  
21 funded child care and development program whose services would  
22 otherwise be terminated because the family no longer meets the  
23 program income, eligibility, or need criteria may continue to  
24 receive child development services in another state or federally  
25 funded child care and development program if the contractor is  
26 able to transfer the family's enrollment to another program for  
27 which the family is eligible before the date of termination of  
28 services or to exchange the family's existing enrollment with the  
29 enrollment of a family in another program, provided that both  
30 families satisfy the eligibility requirements for the program in  
31 which they are being enrolled. The transfer of enrollment may be  
32 to another program within the same administrative agency or to  
33 another agency that administers state or federally funded child  
34 care and development programs.

35 (d) In order to promote continuity of services, the Superintendent  
36 may extend the 60-working-day period specified in subdivision  
37 (a) of Section 18086.5 of Title 5 of the California Code of  
38 Regulations for an additional 60 working days if he or she  
39 determines that opportunities for employment have diminished to  
40 the degree that one or both parents cannot reasonably be expected

1 to find employment within 60 working days and granting the  
2 extension is in the public interest. The scope of extensions granted  
3 pursuant to this subdivision shall be limited to the necessary  
4 geographic areas and affected persons, which shall be described  
5 in the Superintendent's order granting the extension. It is the intent  
6 of the Legislature that extensions granted pursuant to this  
7 subdivision improve services in areas with high unemployment  
8 rates and areas with disproportionately high numbers of seasonal  
9 agricultural jobs.

10 (e) A physical examination and evaluation, including  
11 age-appropriate immunization, shall be required before, or within  
12 six weeks of, enrollment. A standard, rule, or regulation shall not  
13 require medical examination or immunization for admission to a  
14 child care and development program of a child whose parent or  
15 guardian files a letter with the governing board of the child care  
16 and development program stating that the medical examination or  
17 immunization is contrary to his or her religious beliefs, or provide  
18 for the exclusion of a child from the program because of a parent  
19 or guardian having filed the letter. However, if there is good cause  
20 to believe that a child is suffering from a recognized contagious  
21 or infectious disease, the child shall be temporarily excluded from  
22 the program until the governing board of the child care and  
23 development program is satisfied that the child is not suffering  
24 from that contagious or infectious disease.

25 (f) Regulations formulated and promulgated pursuant to this  
26 section shall include the recommendations of the State Department  
27 of Health Care Services relative to health care screening and the  
28 provision of health care services. The Superintendent shall seek  
29 the advice and assistance of these health authorities in situations  
30 where service under this chapter includes or requires care of  
31 children who are ill or children with exceptional needs.

32 (g) The Superintendent shall establish guidelines for the  
33 collection of employer-sponsored child care benefit payments from  
34 a parent whose child receives subsidized child care and  
35 development services. These guidelines shall provide for the  
36 collection of the full amount of the benefit payment, but not to  
37 exceed the actual cost of child care and development services  
38 provided, notwithstanding the applicable fee based on the fee  
39 schedule.

1 (h) The Superintendent shall establish guidelines according to  
2 which the director or a duly authorized representative of the child  
3 care and development program will certify children as eligible for  
4 state reimbursement pursuant to this section.

5 (i) Public funds shall not be paid directly or indirectly to an  
6 agency that does not pay at least the minimum wage to each of its  
7 employees.

8 SEC. 11. Section 8263.1 of the Education Code is amended to  
9 read:

10 8263.1. (a) For purposes of this chapter, “income eligible”  
11 means that a family’s adjusted monthly income is at or below 70  
12 percent of the state median income, adjusted for family size, and  
13 adjusted annually.

14 (b) Notwithstanding any other law, for the 2011–12 fiscal year,  
15 the income eligibility limits that were in effect for the 2007–08  
16 fiscal year shall be reduced to 70 percent of the state median  
17 income that was in use for the 2007–08 fiscal year, adjusted for  
18 family size, effective July 1, 2011.

19 (c) Notwithstanding any other law, for the 2012–13 fiscal year,  
20 the income eligibility limits shall be 70 percent of the state median  
21 income that was in use for the 2007–08 fiscal year, adjusted for  
22 family size.

23 (d) Notwithstanding any other law, for the 2013–14 fiscal year,  
24 the income eligibility limits shall be 70 percent of the state median  
25 income that was in use for the 2007–08 fiscal year, adjusted for  
26 family size.

27 (e) The income of a recipient of federal supplemental security  
28 income benefits pursuant to Title XVI of the federal Social Security  
29 Act (42 U.S.C. Sec. 1381 et seq.) and state supplemental program  
30 benefits pursuant to Title XVI of the federal Social Security Act  
31 and Chapter 3 (commencing with Section 12000) of Part 3 of  
32 Division 9 of the Welfare and Institutions Code shall not be  
33 included as income for purposes of determining eligibility for child  
34 care under this chapter.

35 SEC. 12. Article 11.5 (commencing with Section 8273) is  
36 added to Chapter 2 of Part 6 of Division 1 of Title 1 of the  
37 Education Code, to read:

## Article 11.5. Family Fees

8273. (a) The Superintendent shall establish a fee schedule for families using preschool and child care and development services pursuant to this chapter, including families receiving services pursuant to paragraph (1) of subdivision (b) of Section 8263. It is the intent of the Legislature that the new fee schedule shall be simple and easy to implement.

(b) The family fee schedule shall retain a flat monthly fee per family. The schedule shall differentiate between fees for part-time care and full-time care.

(c) Using the most recently approved family fee schedule pursuant to subdivision (f) of Section 8447, families shall be assessed a flat monthly fee based on income, certified family need for full-time or part-time care services, and enrollment, and shall not be based on actual attendance. No recalculation of a family fee shall occur if attendance varies from enrollment unless a change in need for care is assessed.

(d) The Superintendent shall design the new family fee schedule based on the state median income data that was in use for the 2007–08 fiscal year, adjusted for family size. The revised family fee schedule shall begin at income levels at which families currently begin paying fees. The revised fees shall not exceed 10 percent of the family’s monthly income. The Superintendent shall first submit the adjusted fee schedule to the Department of Finance for approval.

(e) The income of a recipient of federal supplemental security income benefits pursuant to Title XVI of the federal Social Security Act (42 U.S.C. Sec. 1381 et seq.) and state supplemental program benefits pursuant to Title XVI of the federal Social Security Act (42 U.S.C. Sec. 1381 et seq.) and Chapter 3 (commencing with Section 12000) of Part 3 of Division 9 of the Welfare and Institutions Code shall not be included in total countable income for purposes of determining the amount of the family fee.

(f) Family fees shall be assessed at initial enrollment and reassessed at update of certification or recertification.

(g) It is the intent of the Legislature that the new family fees shall be cost neutral to the state and generate roughly the same amount of revenue as was generated under the previous family fee schedule.

1 8273.1. (a) Families receiving services pursuant to  
2 subparagraph (B) of paragraph (1) of subdivision (b) of Section  
3 8263 may be exempt from family fees for up to three months.

4 (b) Families receiving services pursuant to subparagraph (C) of  
5 paragraph (1) of subdivision (b) of Section 8263 may be exempt  
6 from family fees for up to 12 months.

7 (c) The cumulative period time of exemption from family fees  
8 for families receiving services pursuant to paragraph (1) of  
9 subdivision (b) of Section 8263 shall not exceed 12 months.

10 (d) Notwithstanding any other law, a family receiving  
11 CalWORKs cash aid shall not be charged a family fee.

12 8273.2. (a) Notwithstanding paragraph (1) of subdivision (b)  
13 of Section 8447, for the 2006–07 fiscal year, the department shall  
14 update the family fee schedules by family size, based on the 2005  
15 state median income survey data for a family of four. The family  
16 fee schedule used during the 2005–06 fiscal year shall remain in  
17 effect. However, the department shall adjust the family fee schedule  
18 for families that are newly eligible to receive or will continue to  
19 receive services under the new income eligibility limits. The family  
20 fees shall not exceed 10 percent of the family’s monthly income.

21 (b) Notwithstanding any other law, the family fee schedule that  
22 was in effect for the 2007–08, 2008–09, 2009–10, and 2010–11  
23 fiscal years shall be adjusted to reflect the income eligibility limits  
24 specified in subdivision (b) of Section 8263.1 for the 2011–12  
25 fiscal year, and shall retain a flat fee per family. The revised family  
26 fee schedule shall begin at income levels at which families  
27 currently begin paying fees. The revised family fees shall not  
28 exceed 10 percent of the family’s monthly income. The department  
29 shall first submit the adjusted family fee schedule to the  
30 Department of Finance for approval in order for the adjusted family  
31 fee schedule to be implemented by July 1, 2011.

32 (c) Notwithstanding any other law, the family fee schedule that  
33 was in effect for the 2011–12 fiscal year pursuant to subdivision  
34 (b) shall remain in effect for the 2012–13 fiscal year, and shall  
35 retain a flat fee per family.

36 (d) Notwithstanding any other law, the family fee schedule that  
37 was in effect for the 2012–13 fiscal year pursuant to subdivision  
38 (c) shall remain in effect for the 2013–14 fiscal year until the first  
39 day of a month that is at least 60 days after the new family fee

1 schedule developed pursuant to Section 8273 has been approved  
2 by the Department of Finance and adopted.

3 8273.3. (a) The family fee schedule shall provide, among other  
4 things, that a contractor or provider may require parents to provide  
5 diapers. A contractor or provider offering field trips either may  
6 include the cost of the field trips within the service rate charged  
7 to the parent or may charge parents an additional fee. Federal or  
8 state money shall not be used to reimburse parents for the costs of  
9 field trips if those costs are charged as an additional fee. A  
10 contractor or provider that charges parents an additional fee for  
11 field trips shall inform parents, before enrolling the child, that a  
12 fee may be charged and that no reimbursement will be available.

13 (b) A contractor or provider may require parents to provide  
14 diapers or charge parents for field trips, subject to all of the  
15 following conditions:

16 (1) The contractor or provider has a written policy adopted by  
17 the agency's governing board that includes parents in the  
18 decisionmaking process regarding both of the following:

19 (A) Whether or not, and how much, to charge for field trip  
20 expenses.

21 (B) Whether or not to require parents to provide diapers.

22 (2) The contractor or provider does not charge fees in excess  
23 of twenty-five dollars (\$25) per child in a contract year.

24 (3) The contractor or provider does not deny participation in a  
25 field trip due to a parent's inability or refusal to pay the fee.

26 (4) The contractor or provider does not take adverse action  
27 against a parent for the parent's inability or refusal to pay the fee.

28 (c) A contractor or provider shall establish a payment system  
29 that prevents the identification of children based on whether or  
30 not a child's family has paid field trip fees.

31 (d) The contractor or provider shall report expenses incurred  
32 and income received for field trips to the department. Income  
33 received shall be reported as restricted income.

34 SEC. 13. Section 8335.4 of the Education Code is amended to  
35 read:

36 8335.4. (a) Upon approval of the plan by the Child  
37 Development Division of the department, the City and County of  
38 San Francisco shall annually prepare and submit to the Legislature,  
39 the State Department of Social Services, and the department a  
40 report that summarizes the success of the pilot project and the city



1 and county's ability to maximize the use of funds and to improve  
2 and stabilize child care in the city and county.

3 (b) The City and County of San Francisco shall submit an  
4 interim report to the Legislature, the State Department of Social  
5 Services, and the department on or before December 31, 2010,  
6 and shall submit a final report to those entities on or before June  
7 30, 2015, summarizing the impact of the plan on the child care  
8 needs of working families in the city and county.

9 SEC. 14. Section 8335.5 of the Education Code is amended to  
10 read:

11 8335.5. The City and County of San Francisco may implement  
12 an individualized child care subsidy plan until July 1, 2015, at  
13 which date the city and county shall terminate the plan. Between  
14 July 1, 2015, and July 1, 2017, the city and county shall phase out  
15 the individualized county child care subsidy plan and, as of July  
16 1, 2017, shall implement the state's requirements for child care  
17 subsidies. A child enrolling for the first time for subsidized child  
18 care in the city and county after July 1, 2015, shall not be enrolled  
19 in the pilot program established pursuant to this article and is  
20 subject to existing state laws and regulations regarding child care  
21 eligibility and priority.

22 SEC. 15. Section 8335.7 of the Education Code is amended to  
23 read:

24 8335.7. This article shall become inoperative on July 1, 2017,  
25 and as of January 1, 2018, is repealed, unless a later enacted statute,  
26 that is enacted before January 1, 2018, deletes or extends the dates  
27 on which it becomes inoperative and is repealed.

28 SEC. 16. Section 8344 of the Education Code is amended to  
29 read:

30 8344. The County of San Mateo may implement its  
31 individualized county child care subsidy plan until January 1, 2015,  
32 at which date the County of San Mateo shall terminate the plan.  
33 Between January 1, 2015, and January 1, 2017, the County of San  
34 Mateo shall phase out the individualized county child care subsidy  
35 plan and, as of January 1, 2017, shall implement the state's  
36 requirements for child care subsidies. A child enrolling for the first  
37 time for subsidized child care in San Mateo County after January  
38 1, 2015, shall not be enrolled in the pilot program established  
39 pursuant to this article and is subject to existing state laws and  
40 regulations regarding child care eligibility and priority.

1 SEC. 17. Section 8346 of the Education Code is amended to  
2 read:

3 8346. This article shall remain in effect only until January 1,  
4 2017, and as of that date is repealed, unless a later enacted statute,  
5 which is enacted before January 1, 2017, deletes or extends that  
6 date.

7 SEC. 18. Section 8447 of the Education Code is amended to  
8 read:

9 8447. (a) The Legislature hereby finds and declares that greater  
10 efficiencies may be achieved in the execution of state subsidized  
11 child care and development program contracts with public and  
12 private agencies by the timely approval of contract provisions by  
13 the Department of Finance, the Department of General Services,  
14 and the State Department of Education and by authorizing the State  
15 Department of Education to establish a multiyear application,  
16 contract expenditure, and service review as may be necessary to  
17 provide timely service while preserving audit and oversight  
18 functions to protect the public welfare.

19 (b) (1) The Department of Finance and the Department of  
20 General Services shall approve or disapprove annual contract  
21 funding terms and conditions, including both family fee schedules  
22 and regional market rate schedules that are required to be adhered  
23 to by contract, and contract face sheets submitted by the State  
24 Department of Education not more than 30 working days from the  
25 date of submission, unless unresolved conflicts remain between  
26 the Department of Finance, the State Department of Education,  
27 and the Department of General Services. The State Department of  
28 Education shall resolve conflicts within an additional 30 working  
29 day time period. Contracts and funding terms and conditions shall  
30 be issued to child care contractors no later than June 1. Applications  
31 for new child care funding shall be issued not more than 45  
32 working days after the effective date of authorized new allocations  
33 of child care moneys.

34 (2) Notwithstanding paragraph (1), the State Department of  
35 Education shall implement the regional market rate schedules  
36 based upon the county aggregates, as determined by the Regional  
37 Market survey conducted in 2005.

38 (3) It is the intent of the Legislature to fully fund the third stage  
39 of child care for former CalWORKs recipients.

1 (c) With respect to subdivision (b), it is the intent of the  
2 Legislature that the Department of Finance annually review  
3 contract funding terms and conditions for the primary purpose of  
4 ensuring consistency between child care contracts and the child  
5 care budget. This review shall include evaluating any proposed  
6 changes to contract language or other fiscal documents to which  
7 the contractor is required to adhere, including those changes to  
8 terms or conditions that authorize higher reimbursement rates, that  
9 modify related adjustment factors, that modify administrative or  
10 other service allowances, or that diminish fee revenues otherwise  
11 available for services, to determine if the change is necessary or  
12 has the potential effect of reducing the number of full-time  
13 equivalent children that may be served.

14 (d) Alternative payment child care systems, as set forth in Article  
15 3 (commencing with Section 8220), shall be subject to the rates  
16 established in the Regional Market Rate Survey of California Child  
17 Care Providers for provider payments. The State Department of  
18 Education shall contract to conduct and complete a Regional  
19 Market Rate Survey no more frequently than once every two years,  
20 consistent with federal regulations, with a goal of completion by  
21 March 1.

22 (e) By March 1 of each year, the Department of Finance shall  
23 provide to the State Department of Education the state median  
24 income amount for a four-person household in California based  
25 on the best available data. The State Department of Education shall  
26 adjust its fee schedule for child care providers to reflect this  
27 updated state median income; however, no changes based on  
28 revisions to the state median income amount shall be implemented  
29 midyear.

30 (f) Notwithstanding the June 1 date specified in subdivision (b),  
31 changes to the regional market rate schedules and fee schedules  
32 may be made at any other time to reflect the availability of accurate  
33 data necessary for their completion, provided these documents  
34 receive the approval of the Department of Finance. The Department  
35 of Finance shall review the changes within 30 working days of  
36 submission and the State Department of Education shall resolve  
37 conflicts within an additional 30 working day period. Contractors  
38 shall be given adequate notice before the effective date of the  
39 approved schedules. It is the intent of the Legislature that contracts

1 for services not be delayed by the timing of the availability of  
2 accurate data needed to update these schedules.

3 SEC. 19. Section 14041.6 of the Education Code is repealed.

4 SEC. 20. Section 14041.6 is added to the Education Code, to  
5 read:

6 14041.6. (a) Notwithstanding subdivision (a) of Section 14041,  
7 or any other law, for the 2008–09 fiscal year warrants for the  
8 principal apportionments for the month of February in the amount  
9 of two billion dollars (\$2,000,000,000) instead shall be drawn in  
10 July of the same calendar year pursuant to the certification made  
11 pursuant to Section 41339.

12 (b) Notwithstanding subdivision (a) of Section 14041, or any  
13 other law, for the 2009–10 fiscal year warrants for the principal  
14 apportionments for the month of February in the amount of two  
15 billion dollars (\$2,000,000,000) instead shall be drawn in July of  
16 the same calendar year and warrants for the month of April in the  
17 amount of six hundred seventy-eight million six hundred eleven  
18 thousand dollars (\$678,611,000) and for the month of May in the  
19 amount of one billion dollars (\$1,000,000,000) instead shall be  
20 drawn in August pursuant to the certification made pursuant to  
21 Section 41339.

22 (c) Notwithstanding subdivision (a) of Section 14041, or any  
23 other law, for the 2010–11 fiscal year warrants for the principal  
24 apportionments for the month of February in the amount of two  
25 billion dollars (\$2,000,000,000), for the month of April in the  
26 amount of four hundred nineteen million twenty thousand dollars  
27 (\$419,020,000), for the month of May in the amount of eight  
28 hundred million dollars (\$800,000,000), and for the month of June  
29 in the amount of five hundred million dollars (\$500,000,000)  
30 instead shall be drawn in July of the same calendar year and  
31 warrants for the month of April in the amount of six hundred  
32 seventy-eight million six hundred eleven thousand dollars  
33 (\$678,611,000) and for the month of May in the amount of one  
34 billion dollars (\$1,000,000,000) instead shall be drawn in August  
35 pursuant to the certification made pursuant to Section 41339.

36 (d) Notwithstanding subdivision (a) of Section 14041, or any  
37 other law, for the 2011–12 fiscal year warrants for the principal  
38 apportionments for the month of February in the amount of two  
39 billion dollars (\$2,000,000,000), for the month of April in the  
40 amount of four hundred nineteen million twenty thousand dollars

1 (\$419,020,000), for the month of May in the amount of eight  
2 hundred million dollars (\$800,000,000), and for the month of June  
3 in the amount of five hundred million dollars (\$500,000,000)  
4 instead shall be drawn in July of the same calendar year and  
5 warrants for the month of March in the amount of one billion three  
6 hundred million dollars (\$1,300,000,000) and for the month of  
7 April in the amount of one billion four hundred forty-two million  
8 four hundred five thousand dollars (\$1,442,405,000) and for the  
9 month of May in the amount of one billion dollars (\$1,000,000,000)  
10 instead shall be drawn in August pursuant to the certification made  
11 pursuant to Section 41339.

12 (e) Notwithstanding subdivision (a) of Section 14041, or any  
13 other law, for the 2012–13 fiscal year warrants for the principal  
14 apportionments for the month of February in the amount of five  
15 hundred thirty-one million seven hundred twenty thousand dollars  
16 (\$531,720,000), for the month of April in the amount of five  
17 hundred ninety-four million seven hundred forty-eight thousand  
18 dollars (\$594,748,000), for the month of May in the amount of  
19 one billion nine hundred seventy-six million seven hundred one  
20 thousand dollars (\$1,976,701,000), and for the month of June in  
21 the amount of five hundred million dollars (\$500,000,000) instead  
22 shall be drawn in July of the same calendar year and warrants for  
23 the month of March in the amount of one billion twenty-nine  
24 million four hundred ninety-three thousand dollars  
25 (\$1,029,493,000) and for the month of April in the amount of seven  
26 hundred sixty-three million seven hundred ninety-four thousand  
27 dollars (\$763,794,000) instead shall be drawn in August pursuant  
28 to the certification made pursuant to Section 41339.

29 (f) Notwithstanding subdivision (a) of Section 14041, or any  
30 other law, commencing with the 2013–14 fiscal year, warrants for  
31 the principal apportionments for the month of April in the amount  
32 of nine hundred seventeen million five hundred forty-two thousand  
33 dollars (\$917,542,000), for the month of May in the amount of  
34 two billion one hundred fifty-two million four hundred thirty  
35 thousand dollars (\$2,152,430,000), and for the month of June in  
36 the amount of five hundred million dollars (\$500,000,000) instead  
37 shall be drawn in July of the same calendar year pursuant to the  
38 certification made pursuant to Section 41339.

39 (g) Notwithstanding subdivision (a) of Section 14041 or any  
40 other law, commencing with the 2013–14 fiscal year, warrants for

1 the principal apportionments for the month of May in the amount  
2 of two hundred million dollars (\$200,000,000) and for the month  
3 of June in the amount of six hundred ninety-nine million four  
4 hundred seventy-three thousand dollars (\$699,473,000) instead  
5 shall be drawn in July of the same calendar year pursuant to the  
6 certification made pursuant to Section 41339. The Superintendent  
7 shall allocate this deferred amount and repayment to local  
8 educational agencies based on their proportionate share of funding  
9 appropriated to local educational agencies pursuant to Section 92  
10 of Chapter 38 of the Statutes of 2012.

11 (h) Except as provided in subdivisions (c) and (e) of Section  
12 41202, for purposes of making the computations required by  
13 Section 8 of Article XVI of the California Constitution, the  
14 warrants drawn pursuant to subdivisions (a) to (g), inclusive, shall  
15 be deemed to be “General Fund revenues appropriated for school  
16 districts,” as defined in subdivision (c) of Section 41202, for the  
17 fiscal year in which the warrants are drawn and included within  
18 the “total allocations to school districts and community college  
19 districts from General Fund proceeds of taxes appropriated pursuant  
20 to Article XIII B,” as defined in subdivision (e) of Section 41202,  
21 for the fiscal year in which the warrants are drawn.

22 (i) Notwithstanding subdivision (h), for purposes of making the  
23 computations required by Section 8 of Article XVI of the California  
24 Constitution, one billion five hundred ninety million four hundred  
25 forty-nine thousand dollars (\$1,590,449,000) of the warrants drawn  
26 in August of 2013 pursuant to subdivision (e) shall be deemed to  
27 be “General Fund revenues appropriated for school districts,” as  
28 defined in subdivision (c) of Section 41202, for the 2012–13 fiscal  
29 year, and included within the “total allocations to school districts  
30 and community college districts from General Fund proceeds of  
31 taxes appropriated pursuant to Article XIII B,” as defined in  
32 subdivision (e) of Section 41202, for the 2012–13 fiscal year.

33 SEC. 21. Section 17457.5 of the Education Code is amended  
34 to read:

35 17457.5. (a) Notwithstanding Article 8 (commencing with  
36 Section 54220) of Chapter 5 of Part 1 of Division 2 of Title 5 of  
37 the Government Code, the governing board of a school district  
38 seeking to sell or lease real property designed to provide direct  
39 instruction or instructional support it deems to be surplus property  
40 shall first offer that property for sale or lease to any charter school

1 that, at the time of the offer, has projections of at least 80 units of  
2 in-district average daily attendance for the following fiscal year,  
3 and has submitted a written request to the school district to be  
4 notified of surplus property offered for sale or lease by the school  
5 district, pursuant to the following conditions:

6 (1) The real property sold or leased shall be used by the charter  
7 school exclusively to provide direct instruction or instructional  
8 support.

9 (2) If the charter school purchased real property pursuant to this  
10 section and fails to comply with paragraph (1), or otherwise desires  
11 to dispose of the real property, all of the following shall apply:

12 (A) The charter school shall immediately offer that real property  
13 for sale to the school district that previously owned the property.  
14 The charter school shall comply, in that regard, with all  
15 requirements under this section that would otherwise apply to a  
16 school district.

17 (B) If the school district does not desire to purchase that real  
18 property from the charter school, the school district shall furnish  
19 a list of charter schools that have requested notification of surplus  
20 property pursuant to subdivision (a). The charter school that owns  
21 the real property shall offer that real property for sale to the charter  
22 schools on this list and comply with all requirements under this  
23 section that would otherwise apply to a school district. In the event  
24 the charter school selling property receives more than one offer,  
25 the charter school may determine to which charter school it will  
26 sell the property. The charter school purchasing the real property  
27 shall comply with all provisions of this section.

28 (C) If that real property remains unsold pursuant to subparagraph  
29 (A) or (B), the charter school selling the real property shall offer  
30 that property for sale pursuant to Article 5 (commencing with  
31 Section 17485). The charter school shall comply with all  
32 requirements under that article that would otherwise apply to a  
33 school district, except that a sale price computed under subdivision  
34 (a) of Section 17491 shall be based upon the cost of acquisition  
35 incurred by the school district that sold the property pursuant to  
36 this subdivision, rather than that incurred by the charter school.

37 (D) If all or part of the real property remains unsold pursuant  
38 to subparagraph (C), the charter school selling that real property  
39 shall dispose of the remaining property pursuant to subdivisions  
40 (c), (d), (e), and (f) of Section 17464. References in Section 17464

1 to a school district shall mean the charter school selling the real  
2 property.

3 (3) In the event, alternatively, of a lease of real property pursuant  
4 to this subdivision, the failure by the charter school to comply with  
5 paragraph (1) shall constitute a breach of the lease, entitling the  
6 school district to immediate possession of the real property, in  
7 addition to any damages to which the school district may be entitled  
8 under the lease agreement.

9 (4) The school district, and each of the entities authorized to  
10 receive offers of sale pursuant to this article or Article 5  
11 (commencing with Section 17485), has standing to enforce the  
12 conditions set forth in this subdivision, and shall be entitled to the  
13 payment of reasonable attorney's fees incurred as a prevailing  
14 party in any action or proceeding brought to enforce any of those  
15 conditions.

16 (b) A school district seeking to sell or lease real property  
17 designed to provide direct instruction or instructional support it  
18 deems to be surplus property shall provide a written offer to any  
19 charter school that, at the time of the offer, has projections of at  
20 least 80 units of in-district average daily attendance for the  
21 following fiscal year, and has submitted a written request to the  
22 school district to be notified of surplus property offered for sale  
23 or lease by the school district. A charter school desiring to purchase  
24 or lease the property shall, within 60 days after a written offer is  
25 received, notify the school district of its intent to purchase or lease  
26 the property. In the event more than one charter school notifies  
27 the school district of their intent to purchase or lease the property,  
28 the governing board of the school district may determine to which  
29 charter school to sell or lease the property.

30 (c) The price at which property described in this section is sold  
31 pursuant to this section shall not exceed the school district's cost  
32 of acquisition, adjusted by a factor equivalent to the percentage  
33 increase or decrease in the cost of living from the date of purchase  
34 to the year in which the offer of sale is made, plus the cost of any  
35 school facilities construction undertaken on the property by the  
36 school district since its acquisition of the land, adjusted by a factor  
37 equivalent to the increase or decrease in the statewide cost index  
38 for class B construction, as annually determined by the State  
39 Allocation Board pursuant to Section 17072.10, from the year the  
40 improvement is completed to the year in which the sale is made.



1 In the event a statewide cost index for class B construction is not  
2 available, the school district shall use a factor equal to the average  
3 statewide cost index for class B construction for the preceding 10  
4 calendar years. In no event shall the price be less than 25 percent  
5 of the fair market value of the property described in this section  
6 or less than the amount necessary to retire the share of local bonded  
7 indebtedness plus the amount of the original cost of the approved  
8 state aid applications on the property. The percentage of annual  
9 increase or decrease in the cost of living shall be the amount shown  
10 for January 1 of the applicable year by the then current Bureau of  
11 Labor Statistics Consumers Price Index for the area in which the  
12 schoolsite is located.

13 (d) Land that is leased pursuant to this section shall be leased  
14 at an annual rate of not more than 5 percent of the maximum sales  
15 price determined pursuant to subdivision (c), adjusted annually by  
16 a factor equivalent to the percentage increase or decrease in the  
17 cost of living for the immediately preceding year. The percentage  
18 of annual increase or decrease in the cost of living shall be the  
19 amount shown for January 1 of the applicable year by the then  
20 current Bureau of Labor Statistics Consumers Price Index for the  
21 area in which the schoolsite is located.

22 (e) The sale or lease of the real property of a school district, as  
23 authorized under subdivision (a), shall not occur until the school  
24 district advisory committee has held hearings pursuant to  
25 subdivision (c) of Section 17390.

26 (f) This section shall only apply to real property identified by  
27 a school district as surplus property after July 1, 2012. A school  
28 district selling or leasing surplus property is not required to offer  
29 that property to a charter school pursuant to this section on or after  
30 July 1, 2016.

31 (g) The construction of a school building, as defined in Section  
32 17368, located on real property purchased by a charter school  
33 pursuant to this section shall comply with the design and  
34 construction requirements pursuant to Article 3 (commencing with  
35 Section 17280) and Article 6 (commencing with Section 17365).  
36 The reconstruction or alteration of, or an addition to, a school  
37 building, as defined in Section 17368, located on real property  
38 purchased by a charter school pursuant to this section is required  
39 to comply with the design and construction requirements pursuant  
40 to Article 3 (commencing with Section 17280) and Article 6

1 (commencing with Section 17365) only if the building complied  
2 with those sections on the date the real property was purchased by  
3 the charter school.

4 (h) A charter school selling real property obtained pursuant to  
5 this section shall use the proceeds only for capital outlay,  
6 maintenance, and other facility-related costs.

7 SEC. 22. Section 17463.7 of the Education Code is amended  
8 to read:

9 17463.7. (a) Notwithstanding any other law, a school district  
10 may deposit the proceeds from the sale of surplus real property,  
11 together with any personal property located on the property,  
12 purchased entirely with local funds, into the general fund of the  
13 school district and may use the proceeds for any one-time general  
14 fund purpose. If the purchase of the property was made using the  
15 proceeds of a local general obligation bond or revenue derived  
16 from developer fees, the amount of the proceeds of the transaction  
17 that may be deposited into the general fund of the school district  
18 may not exceed the percentage computed by the difference between  
19 the purchase price of the property and the proceeds from the  
20 transaction, divided by the amount of the proceeds of the  
21 transaction. For purposes of this section, proceeds of the transaction  
22 means either of the following, as appropriate:

23 (1) The amount realized from the sale of property after  
24 reasonable expenses related to the sale.

25 (2) For a transaction that does not result in a lump-sum payment  
26 of the proceeds of the transaction, the proceeds of the transaction  
27 shall be calculated as the net present value of the future cashflow  
28 generated by the transaction.

29 (b) The State Allocation Board shall reduce an apportionment  
30 of hardship assistance awarded to the particular school district  
31 pursuant to Article 8 (commencing with Section 17075.10) by an  
32 amount equal to the amount of the sale of surplus real property  
33 used for a one-time expenditure of the school district pursuant to  
34 this section.

35 (c) If the school district exercises the authority granted pursuant  
36 to this section, the district is ineligible for hardship funding from  
37 the State School Deferred Maintenance Fund under Section 17587  
38 for five years after the date proceeds are deposited into the general  
39 fund pursuant to this section.

1 (d) Before a school district exercises the authority granted  
2 pursuant to this section, the governing board of the school district  
3 shall first submit to the State Allocation Board documents  
4 certifying the following:

5 (1) The school district has no major deferred maintenance  
6 requirements not covered by existing capital outlay resources.

7 (2) The sale of real property pursuant to this section does not  
8 violate the provisions of a local bond act.

9 (3) The real property is not suitable to meet projected school  
10 construction needs for the next 10 years.

11 (e) Before the school district exercises the authority granted  
12 pursuant to this section, the governing board of the school district  
13 at a regularly scheduled meeting shall present a plan for expending  
14 one-time resources pursuant to this section. The plan shall identify  
15 the source and use of the funds and describe the reasons why the  
16 expenditure will not result in ongoing fiscal obligations for the  
17 school district.

18 (f) The Office of Public School Construction shall submit an  
19 interim and a final report to the State Allocation Board and the  
20 budget, education policy, and fiscal committees of the Legislature  
21 that identifies the school districts that have exercised the authority  
22 granted by this section, the amount of proceeds involved, and the  
23 purposes for which those proceeds were used. The interim report  
24 shall be submitted by January 1, 2011, and the final report by  
25 January 1, 2015.

26 (g) This section shall remain in effect only until January 1, 2016  
27 and as of that date is repealed, unless a later enacted statute, that  
28 is enacted before January 1, 2016 deletes or extends that date.

29 SEC. 23. Section 17592.71 of the Education Code is amended  
30 to read:

31 17592.71. (a) There is hereby established in the State Treasury  
32 the School Facilities Emergency Repair Account. The State  
33 Allocation Board shall administer the account.

34 (b) (1) Commencing with the 2005–06 fiscal year, an amount  
35 of moneys shall be transferred in the annual Budget Act from the  
36 Proposition 98 Reversion Account to the School Facilities  
37 Emergency Repair Account, equaling 50 percent of the  
38 unappropriated balance of the Proposition 98 Reversion Account  
39 or one hundred million dollars (\$100,000,000), whichever amount  
40 is greater. Moneys transferred pursuant to this subdivision shall

1 be used for the purpose of addressing emergency facilities needs  
2 pursuant to Section 17592.72.

3 (2) Notwithstanding paragraph (1), for the 2008–09 fiscal year,  
4 the amount of money to be transferred from the Proposition 98  
5 Reversion Account to the School Facilities Emergency Repair  
6 Account pursuant to paragraph (1) shall not exceed one hundred  
7 one million dollars (\$101,000,000).

8 (3) Notwithstanding paragraph (1), for the 2009–10 fiscal year,  
9 the amount of money to be transferred from the Proposition 98  
10 Reversion Account to the School Facilities Emergency Repair  
11 Account pursuant to paragraph (1) shall be zero dollars (\$0).

12 (4) Notwithstanding paragraph (1), for the 2010–11 fiscal year,  
13 the amount of money to be transferred from the Proposition 98  
14 Reversion Account to the School Facilities Emergency Repair  
15 Account pursuant to paragraph (1) shall be zero dollars (\$0).

16 (5) Notwithstanding paragraph (1), for the 2011–12 fiscal year,  
17 the amount of money to be transferred from the Proposition 98  
18 Reversion Account to the School Facilities Emergency Repair  
19 Account pursuant to paragraph (1) shall be zero dollars (\$0).

20 (6) Notwithstanding paragraph (1), for the 2012–13 and 2013–14  
21 fiscal years, the amount of money to be transferred from the  
22 Proposition 98 Reversion Account to the School Facilities  
23 Emergency Repair Account pursuant to paragraph (1) shall be zero  
24 dollars (\$0).

25 (c) The Legislature may transfer to the School Facilities  
26 Emergency Repair Account other one-time Proposition 98 funds,  
27 except funds specified pursuant to Section 41207, as repealed and  
28 added by Section 6 of Chapter 216 of the Statutes of 2004.  
29 Donations by private entities shall be deposited in the account and,  
30 for tax purposes, be treated as otherwise provided by law.

31 (d) Funds shall be transferred pursuant to this section until a  
32 total of eight hundred million dollars (\$800,000,000) has been  
33 disbursed from the School Facilities Emergency Repair Account.

34 SEC. 24. Section 38092 of the Education Code is repealed.

35 SEC. 25. Section 38102 of the Education Code is repealed.

36 SEC. 26. Section 41203.1 of the Education Code is amended  
37 to read:

38 41203.1. (a) For the 1990–91 fiscal year and each fiscal year  
39 thereafter, allocations calculated pursuant to Section 41203 shall  
40 be distributed in accordance with calculations provided in this

1 section. Notwithstanding Section 41203, and for purposes of this  
2 section, school districts, community college districts, and direct  
3 elementary and secondary level instructional services provided by  
4 the State of California shall be regarded as separate segments of  
5 public education, and each of these three segments of public  
6 education shall be entitled to receive respective shares of the  
7 amount calculated pursuant to Section 41203 as though the  
8 calculation made pursuant to subdivision (b) of Section 8 of Article  
9 XVI of the California Constitution were to be applied separately  
10 to each segment and the base year for purposes of this calculation  
11 under paragraph (1) of subdivision (b) of Section 8 of Article XVI  
12 of the California Constitution were based on the 1989–90 fiscal  
13 year. Calculations made pursuant to this subdivision shall be made  
14 so that each segment of public education is entitled to the greater  
15 of the amounts calculated for that segment pursuant to paragraph  
16 (1) or (2) of subdivision (b) of Section 8 of Article XVI of the  
17 California Constitution.

18 (b) If the single calculation made pursuant to Section 41203  
19 yields a guaranteed amount of funding that is less than the sum of  
20 the amounts calculated pursuant to subdivision (a), the amount  
21 calculated pursuant to Section 41203 shall be prorated for the three  
22 segments of public education.

23 (c) Notwithstanding any other law, this section does not apply  
24 to the 1992–93 to 2013–14 fiscal years, inclusive.

25 SEC. 27. Section 41325 of the Education Code is amended to  
26 read:

27 41325. (a) The Legislature finds and declares that when a  
28 school district becomes insolvent and requires an emergency  
29 apportionment from the state in the amount designated in this  
30 article, it is necessary that the Superintendent assume control of  
31 the district in order to ensure the district's return to fiscal solvency.

32 (b) It is the intent of the Legislature that the Superintendent,  
33 operating through an appointed administrator, do all of the  
34 following:

35 (1) Implement substantial changes in the school district's fiscal  
36 policies and practices, including, if necessary, the filing of a  
37 petition under Chapter 9 of the federal Bankruptcy Code for the  
38 adjustment of indebtedness.

39 (2) Revise the school district's educational program to reflect  
40 realistic income projections, in response to the dramatic effect of

1 the changes in fiscal policies and practices upon educational  
2 program quality and the potential for the success of all pupils.

3 (3) Encourage all members of the school community to accept  
4 a fair share of the burden of the school district's fiscal recovery.

5 (4) Consult, for the purposes described in this subdivision, with  
6 the school district governing board, the exclusive representatives  
7 of the employees of the school district, parents, and the community.

8 (5) Consult with and seek recommendations from the county  
9 superintendent of schools for the purposes described in this  
10 subdivision.

11 (c) For purposes of this article, the Superintendent may also  
12 appoint a trustee with the powers and responsibilities of an  
13 administrator, as set forth in this article.

14 SEC. 28. Section 41329.52 of the Education Code is amended  
15 to read:

16 41329.52. (a) A school district may receive a two-part  
17 financing designed to provide an advance of apportionments owed  
18 to the district from the State School Fund and the Education  
19 Protection Account.

20 (b) The initial emergency apportionment shall be an interim  
21 loan from the General Fund to the school district. General Fund  
22 money shall not be advanced to a school district until that district  
23 agrees to obtain a lease financing as described in subdivision (c)  
24 and the bank adopts a reimbursement resolution governing the  
25 lease financing. The interim loan shall be repaid in full, with  
26 interest, from the proceeds of the lease financing pursuant to  
27 subdivision (c) at a time mutually agreed upon between the  
28 Department of Finance and the bank. The interest rate on the  
29 interim loan shall be the rate earned by moneys in the Pooled  
30 Money Investment Account as of the date of the initial  
31 disbursement of emergency apportionments to the school district.

32 (c) The school district shall enter into a lease financing with the  
33 bank for the purpose of financing the emergency apportionment,  
34 including a repayment to the General Fund of the amount advanced  
35 pursuant to subdivision (b). In addition to the emergency  
36 apportionment, the lease financing may include funds necessary  
37 for reserves, capitalized interest, credit enhancements, and costs  
38 of issuance. The bank shall issue bonds for that purpose pursuant  
39 to the powers granted pursuant to the Bergeson-Peace Infrastructure  
40 and Economic Development Bank Act as set forth in Division 1

1 (commencing with Section 63000) of Part 6.7 of the Government  
2 Code. The term of the lease shall not exceed 20 years, except that  
3 if at the end of the lease term any rent payable is not fully paid, or  
4 if the rent payable has been abated, the term of the lease shall be  
5 extended for a period not to exceed 10 years.

6 SEC. 29. Section 41329.53 of the Education Code is amended  
7 to read:

8 41329.53. (a) As an alternative to the lease financing pursuant  
9 to Section 41329.52, a school district may receive an emergency  
10 apportionment from the General Fund designed to provide an  
11 advance of apportionments owed to the district from the State  
12 School Fund and the Education Protection Account. The emergency  
13 apportionment shall be repaid within 20 years. The calculation of  
14 the amount of the apportionment, including implied costs, and the  
15 interest rate shall be calculated pursuant to subdivision (b). Each  
16 year the Superintendent shall withhold from the apportionments  
17 to be made to the school district from the State School Fund and  
18 the Education Protection Account an amount equal to the  
19 emergency apportionment repayment that becomes due in the year.

20 (b) The determination by statute as to whether the emergency  
21 apportionment shall take the form of lease financing pursuant to  
22 Section 41329.52 or an emergency apportionment from the General  
23 Fund pursuant to this section shall be based upon the availability  
24 of funds within the General Fund and not on any cost differential  
25 between the two financing mechanisms. To ensure that the two  
26 alternatives are cost neutral, if the statute does not authorize a lease  
27 financing, the bank shall commission a cost study from financial  
28 advisers under contract with the bank to determine the interest  
29 rate, costs of issuance, and if it is more cost effective, credit  
30 enhancement costs likely if the financing was a lease financing  
31 rather than an emergency apportionment from the General Fund.  
32 These implied lease costs shall be included as the fixed interest  
33 rate on the repayment of the emergency apportionment to the  
34 General Fund, repayable over 20 years.

35 SEC. 30. Section 41329.55 of the Education Code is amended  
36 to read:

37 41329.55. (a) Simultaneous with the execution of the lease  
38 financing authorized pursuant to Section 41329.52, the bank shall  
39 provide to the Controller and the school district a notification of  
40 its lease financing. The notice shall include a schedule of rent

1 payments to become due to the bank from the school district and  
2 the bond trustee. The Controller shall make the apportionment to  
3 the bond trustee of those amounts on the dates shown on the  
4 schedule. The bank may further authorize the apportionments to  
5 be used to pay or reimburse the provider of any credit enhancement  
6 of bonds and other ongoing or periodic ancillary costs of the bond  
7 financing issued by the bank in connection with this article. If the  
8 amount of rent payments vary from the schedule as a result of  
9 variable interest rates on the bonds, early redemptions, or changes  
10 in expenses, the bank shall amend or supplement the schedule  
11 accordingly.

12 (b) Except where financing is for a community college district,  
13 the Controller shall make the apportionment only from moneys in  
14 Section A of the State School Fund and the Education Protection  
15 Account designated for apportionment to the district and any  
16 apportionment authorized pursuant to this subdivision shall  
17 constitute a lien senior to any other apportionment or payment of  
18 State School Fund and the Education Protection Account moneys  
19 to or for that district not made pursuant to this subdivision.

20 (c) If financing is for the Compton Community College District,  
21 the Controller shall make the apportionment only from moneys in  
22 Section B of the State School Fund. Any apportionment authorized  
23 pursuant to this subdivision shall constitute a lien senior to any  
24 other apportionment or payment of Section B State School Fund  
25 moneys.

26 (d) The amount apportioned for a school district pursuant to  
27 this section is an allocation to the school district for purposes of  
28 subdivision (b) of Section 8 of Article XVI of the California  
29 Constitution. For purposes of computing revenue limits pursuant  
30 to Section 42238 for any school district, the revenue limit for any  
31 fiscal year in which funds are apportioned for the school district  
32 pursuant to this section shall include any amounts apportioned by  
33 the Controller pursuant to subdivisions (a), (b), and (c), as well as  
34 Section 41329.57.

35 (e) No party, including the school district or any of its creditors,  
36 shall have any claim to the money apportioned or to be apportioned  
37 to the bond trustee by the Controller pursuant to this section.

38 SEC. 31. Section 41329.57 of the Education Code is amended  
39 to read:



1 41329.57. (a) (1) Pursuant to a schedule provided to the  
2 Controller by the bank, the Controller shall transfer from Section  
3 A of the State School Fund and the Education Protection Account  
4 the amount of funds necessary to pay the warrants issued pursuant  
5 to paragraph (2) so that the effective cost of the lease financing  
6 provided to the Oakland Unified School District, the Vallejo City  
7 Unified School District, and the West Contra Costa Unified School  
8 District pursuant to this article shall be equal to the cost of the  
9 original General Fund emergency loan made to each school district.

10 (A) For purposes of determining the cost of the original  
11 emergency loan for the West Contra Costa Unified School District,  
12 the original interest rate is the rate established pursuant to Section  
13 41474 of 1.532 percent.

14 (B) For purposes of determining the cost of the original  
15 emergency loan for the Oakland Unified School District, the  
16 original interest rate is 1.778 percent. This rate shall also apply to  
17 any disbursements of the loan pursuant to Chapter 14 of the  
18 Statutes of 2003 that are subsequent to August 23, 2004.

19 (C) For purposes of determining the cost of the original  
20 emergency loan for the Vallejo City Unified School District, the  
21 original interest rate is 1.5 percent. This rate shall also apply to  
22 any disbursements of the loan pursuant to Chapter 53 of the  
23 Statutes of 2004 that are subsequent to August 23, 2004.

24 (2) The executive director or chair of the bank shall periodically  
25 provide a schedule to the Controller and each school district of the  
26 actual amount of the difference between the cost of the lease  
27 financing compared to the cost of the original emergency loan for  
28 each school district for each year and the Controller shall issue  
29 warrants to each school district pursuant to the schedule. Payments  
30 to a school district shall occur only during the term of the loan for  
31 that district and shall be made no sooner than the corresponding  
32 payments are made to the bond trustee under the lease financing  
33 for that district.

34 (3) For purposes of making the computations required by Section  
35 8 of Article XVI of the California Constitution, the warrants issued  
36 pursuant to paragraph (2) are "General Fund revenues appropriated  
37 for school districts," as defined in subdivision (c) of Section 41202  
38 for the fiscal years in which the warrants are issued and included  
39 within the "total allocations to school districts and community  
40 college districts from General Fund proceeds of taxes appropriated

1 pursuant to Article XIII B,” as defined in subdivision (e) of Section  
2 41202, for the fiscal years in which the warrants are issued.

3 (b) It is the intent of the Legislature that the financing cost  
4 subsidies funded in this section not be deemed precedent nor in  
5 conflict with Section 41329.53, as these school districts requested  
6 loans before the enactment of this article.

7 SEC. 32. Section 41365 of the Education Code is amended to  
8 read:

9 41365. (a) The Charter School Revolving Loan Fund is hereby  
10 created in the State Treasury. The Charter School Revolving Loan  
11 Fund shall be composed of federal funds obtained by the state for  
12 charter schools and any other funds appropriated or transferred to  
13 the fund through the annual budget process. Funds appropriated  
14 to the Charter School Revolving Loan Fund shall remain available  
15 for purposes of the fund until reappropriated or reverted by the  
16 Legislature through the annual Budget Act or any other act.

17 (b) Commencing with the 2013–14 fiscal year, the Charter  
18 School Revolving Loan Fund shall be administered by the  
19 California School Finance Authority.

20 (c) Loans may be made from moneys in the Charter School  
21 Revolving Loan Fund to a chartering authority for charter schools  
22 that are not a conversion of an existing school, or directly to a  
23 charter school that qualifies to receive funding pursuant to Chapter  
24 6 (commencing with Section 47630) that is not a conversion of an  
25 existing school, upon application of a chartering authority or charter  
26 school and approval by the California School Finance Authority.  
27 Money loaned to a chartering authority for a charter school, or to  
28 a charter school, pursuant to this section shall be used only to meet  
29 the purposes of the charter granted pursuant to Section 47605. The  
30 loan to a chartering authority for a charter school, or to a charter  
31 school, pursuant to this subdivision shall not exceed two hundred  
32 fifty thousand dollars (\$250,000) over the lifetime of the charter  
33 school. A charter school may receive money obtained from multiple  
34 loans made directly to the charter school or to the school’s  
35 chartering authority from the Charter School Revolving Loan Fund,  
36 as long as the total amount received from the fund over the lifetime  
37 of the charter school does not exceed two hundred fifty thousand  
38 dollars (\$250,000). This subdivision does not apply to a charter  
39 school that obtains renewal of a charter pursuant to Section 47607.

1 (d) The California School Finance Authority may consider all  
2 of the following when making a determination as to the approval  
3 of a charter school's loan application:

4 (1) Soundness of the financial business plans of the applicant  
5 charter school.

6 (2) Availability of the charter school of other sources of funding.

7 (3) Geographic distribution of loans made from the Charter  
8 School Revolving Loan Fund.

9 (4) The impact that receipt of funds received pursuant to this  
10 section will have on the charter school's receipt of other private  
11 and public financing.

12 (5) Plans for creative uses of the funds received pursuant to this  
13 section, such as loan guarantees or other types of credit  
14 enhancements.

15 (6) The financial needs of the charter school.

16 (e) Priority for loans from the Charter School Revolving Loan  
17 Fund shall be given to new charter schools for startup costs.

18 (f) Commencing with the first fiscal year following the fiscal  
19 year the charter school receives the loan, the Controller shall deduct  
20 from apportionments made to the chartering authority or charter  
21 school, as appropriate, an amount equal to the annual repayment  
22 of the amount loaned to the chartering authority or charter school  
23 for the charter school under this section and pay the same amount  
24 into the Charter School Revolving Loan Fund in the State Treasury.  
25 Repayment of the full amount loaned to the chartering authority  
26 shall be deducted by the Controller in equal annual amounts over  
27 a number of years agreed upon between the loan recipient and the  
28 California School Finance Authority, not to exceed five years for  
29 any loan.

30 (g) (1) Notwithstanding any other law, a loan may be made  
31 directly to a charter school pursuant to this section only in the case  
32 of a charter school that is incorporated.

33 (2) Notwithstanding any other law, in the case of default of a  
34 loan made directly to a charter school pursuant to this section, the  
35 charter school shall be solely liable for repayment of the loan.

36 (h) The California School Finance Authority shall adopt  
37 emergency regulations to implement this section and Sections  
38 41366.6 and 41367.

39 SEC. 33. Section 41366.6 of the Education Code is amended  
40 to read:

1     41366.6. (a) The California School Finance Authority shall  
2     monitor the adequacy of the amount of funds in the Charter School  
3     Revolving Loan Fund and report annually to the Department of  
4     Finance and the Controller on the need, if any, to transfer funds  
5     from the Charter School Security Fund to the Charter School  
6     Revolving Loan Fund for the sole purpose of replacing funds lost  
7     in the Charter School Revolving Loan Fund due to loan defaults.  
8     Before requesting any transfer of funds from the Charter School  
9     Security Fund, the California School Finance Authority shall make  
10    all reasonable efforts to recover funds directly from the defaulting  
11    loan recipient. To the extent that the California School Finance  
12    Authority determines that a transfer from the Charter School  
13    Security Fund to the Charter School Revolving Loan Fund is  
14    necessary, the California School Finance Authority shall obtain  
15    approval from the Director of Finance before a transfer of funds  
16    is made. Not sooner than 30 days after notification in writing to  
17    the Chairperson of the Joint Legislative Budget Committee, the  
18    Director of Finance shall direct the Controller to transfer the  
19    appropriate amount of funds.

20    (b) By October 1 of each year, the California School Finance  
21    Authority shall provide detailed fund condition information for  
22    the Charter School Revolving Loan Fund and the Charter School  
23    Security Fund to the Department of Finance and the Legislative  
24    Analyst's Office. At a minimum, this information shall contain an  
25    accounting of actual beginning balances, revenues, itemized  
26    expenditures, and ending balances for the prior year, as well as  
27    projected beginning balances, revenues, itemized expenditures,  
28    and ending balances for the current year and budget year.

29    SEC. 34. Section 41367 of the Education Code is amended to  
30    read:

31    41367. (a) The Charter School Security Fund is hereby created  
32    in the State Treasury.

33    (b) Moneys in the fund shall be available for deposit into the  
34    Charter School Revolving Loan Fund in case of default on any  
35    loan made from the Charter School Revolving Loan Fund.

36    (c) Commencing with the 2013–14 fiscal year, the Charter  
37    School Security Fund shall be administered by the California  
38    School Finance Authority.

39    SEC. 35. Section 44374.5 is added to the Education Code, to  
40    read:

1 44374.5. (a) The commission may charge a fee to recover the  
2 standard costs of reviewing new educator preparation programs.  
3 Applicable local educational agencies and institutions of higher  
4 education shall submit the established fee to the commission when  
5 submitting a proposal for a new program. The commission may  
6 review the established fee on a periodic basis and adjust the fee  
7 as necessary. The commission shall notify the chairpersons of the  
8 committees and subcommittees in each house of the Legislature  
9 that consider the State Budget and the Department of Finance at  
10 least 30 days before implementing the fee and at least 30 days  
11 before making any subsequent fee adjustments.

12 (b) The commission may charge commission-approved entities  
13 a fee to recover the costs of accreditation activities in excess of  
14 the regularly scheduled data reports, program assessments, and  
15 accreditation site visits. This includes, but is not necessarily limited  
16 to, accreditation revisits, addressing stipulations, or program  
17 assessment reviews beyond those supported within the standard  
18 costs of review. Institutions of higher education shall submit the  
19 established fee to the commission in the year that the extraordinary  
20 activities are performed. The commission may review the  
21 established fee on a periodic basis, and adjust the fee as necessary.  
22 The commission shall notify the chairpersons of the committees  
23 and subcommittees in each house of the Legislature that consider  
24 the State Budget and the Department of Finance at least 30 days  
25 before implementing the fee and at least 30 days before making  
26 any subsequent fee adjustments.

27 SEC. 36. Section 47612 of the Education Code is amended to  
28 read:

29 47612. (a) A charter school shall be deemed to be under the  
30 exclusive control of the officers of the public schools for purposes  
31 of Section 8 of Article IX of the California Constitution, with  
32 regard to the appropriation of public moneys to be apportioned to  
33 any charter school, including, but not necessarily limited to,  
34 appropriations made for purposes of this chapter.

35 (b) The average daily attendance in a charter school may not,  
36 in any event, be generated by a pupil who is not a California  
37 resident. To remain eligible for generating charter school  
38 apportionments, a pupil over 19 years of age shall be continuously  
39 enrolled in public school and make satisfactory progress towards

1 award of a high school diploma. The state board shall, on or before  
2 January 1, 2000, adopt regulations defining “satisfactory progress.”

3 (c) A charter school shall be deemed to be a “school district”  
4 for purposes of Article 1 (commencing with Section 14000) of  
5 Chapter 1 of Part 9, Section 41301, Section 41302.5, Article 10  
6 (commencing with Section 41850) of Chapter 5 of Part 24, Section  
7 47638, and Sections 8 and 8.5 of Article XVI of the California  
8 Constitution.

9 (d) For purposes of calculating average daily attendance, no  
10 pupil shall generate more than one day of attendance in a calendar  
11 day. Notwithstanding any other law, a charter school that operates  
12 a multitask calendar shall comply with all of the following:

13 (1) Calculate attendance separately for each track. The divisor  
14 in the calculation shall be the calendar days in which school was  
15 taught for pupils in each track.

16 (2) Operate no more than five tracks.

17 (3) Operate each track for a minimum of 175 days. If the charter  
18 school is a conversion school, the charter school may continue its  
19 previous schedule as long as it provides no fewer than 163 days  
20 of instruction in each track.

21 (4) For each track, provide the total number of instructional  
22 minutes, as specified in Section 47612.5.

23 (5) No track shall have less than 55 percent of its school days  
24 before April 15.

25 (6) Unless otherwise authorized by statute, no pupil shall  
26 generate more than one unit of average daily attendance in a fiscal  
27 year.

28 (e) Compliance with the conditions set forth in this section shall  
29 be included in the audits conducted pursuant to Section 41020.

30 SEC. 37. Section 47614.5 of the Education Code is amended  
31 to read:

32 47614.5. (a) The Charter School Facility Grant Program is  
33 hereby established, and, commencing with the 2013–14 fiscal year,  
34 shall be administered by the California School Finance Authority.  
35 The grant program is intended to provide assistance with facilities  
36 rent and lease costs for pupils in charter schools.

37 (b) Subject to the annual Budget Act, eligible schools shall  
38 receive an amount of up to, but not more than, seven hundred fifty  
39 dollars (\$750) per unit of average daily attendance, as certified at  
40 the second principal apportionment, to provide an amount of up

1 to, but not more than, 75 percent of the annual facilities rent and  
2 lease costs for the charter school. In any fiscal year, if the funds  
3 appropriated for the purposes of this section by the annual Budget  
4 Act are insufficient to fund the approved amounts fully, the  
5 California School Finance Authority shall apportion the available  
6 funds on a pro rata basis.

7 (c) For purposes of this section, the California School Finance  
8 Authority shall do all of the following:

9 (1) Inform charter schools of the grant program.

10 (2) Upon application by a charter school, determine eligibility,  
11 based on the geographic location of the charter schoolsite, pupil  
12 eligibility for free or reduced-price meals, and a preference in  
13 admissions, as appropriate. Eligibility for funding shall not be  
14 limited to the grade level or levels served by the school whose  
15 attendance area is used to determine eligibility. Charter schoolsite  
16 are eligible for funding pursuant to this section if the charter  
17 schoolsite meets either of the following conditions:

18 (A) The charter schoolsite is physically located in the attendance  
19 area of a public elementary school in which 70 percent or more of  
20 the pupil enrollment is eligible for free or reduced-price meals and  
21 the schoolsite gives a preference in admissions to pupils who are  
22 currently enrolled in that public elementary school and to pupils  
23 who reside in the elementary school attendance area where the  
24 charter schoolsite is located.

25 (B) Seventy percent or more of the pupil enrollment at the  
26 charter schoolsite is eligible for free or reduced-price meals.

27 (3) Inform charter schools of their grant eligibility.

28 (4) Commencing with the 2013–14 fiscal year, make  
29 apportionments to a charter school for eligible expenditures  
30 according to the following schedule:

31 (A) An initial apportionment by August 31 of each fiscal year  
32 or 30 days after enactment of the annual Budget Act, whichever  
33 is later, provided the charter school has submitted a timely  
34 application for funding, as determined by the California School  
35 Finance Authority. The initial apportionment shall be 50 percent  
36 of the school's estimated annual entitlement as determined by this  
37 section.

38 (B) A second apportionment by March 1 of each fiscal year.  
39 This apportionment shall be 75 percent of the charter school's  
40 estimated annual entitlement, as adjusted for any revisions in cost,

1 enrollment, and other data relevant to computing the charter  
2 school's annual entitlement, less any funding already apportioned  
3 to the charter school.

4 (C) A third apportionment within 30 days of the end of each  
5 fiscal year or 30 days after receiving the data and documentation  
6 needed to compute the charter school's total annual entitlement,  
7 whichever is later. This apportionment shall be the charter school's  
8 total annual entitlement less any funding already apportioned to  
9 the charter school.

10 (D) Notwithstanding subparagraph (A), the initial apportionment  
11 in the 2013–14 fiscal year shall be made by October 15, 2013, or  
12 105 days after enactment of the Budget Act of 2013, whichever is  
13 later.

14 (d) For the purposes of this section:

15 (1) The California School Finance Authority shall use prior year  
16 data on pupil eligibility for free or reduced-price meals for the  
17 charter schoolsite and prior year rent or lease costs provided by  
18 charter schools to determine eligibility for the grant program until  
19 current year data and actual rent or lease costs become known or  
20 until June 30 of each fiscal year.

21 (2) If prior year rent or lease costs are unavailable, and the  
22 current year lease and rent costs are not immediately available,  
23 the California School Finance Authority shall use rent or lease  
24 cost estimates provided by the charter school.

25 (3) The California School Finance Authority shall verify that  
26 the grant amount awarded to each charter school is consistent with  
27 eligibility requirements as specified in this section and in  
28 regulations adopted by the authority. If it is determined by the  
29 California School Finance Authority that a charter school did not  
30 receive the proper grant award amount, either the charter school  
31 shall transfer funds back to the authority as necessary within 60  
32 days of being notified by the authority, or the authority shall  
33 provide an additional apportionment as necessary to the charter  
34 school within 60 days of notifying the charter school, subject to  
35 the availability of funds.

36 (e) Funds appropriated for purposes of this section shall not be  
37 apportioned for any of the following:

38 (1) Units of average daily attendance generated through  
39 nonclassroom-based instruction as defined by paragraph (2) of  
40 subdivision (d) of Section 47612.5 or that does not comply with



1 conditions or limitations set forth in regulations adopted by the  
2 state board pursuant to this section.

3 (2) Charter schools occupying existing school district or county  
4 office of education facilities, except that charter schools shall be  
5 eligible for the portions of their facilities that are not existing  
6 school district or county office of education facilities.

7 (3) Charter schools receiving reasonably equivalent facilities  
8 from their chartering authorities pursuant to Section 47614, except  
9 that charter schools shall be eligible for the portions of their  
10 facilities that are not reasonably equivalent facilities received from  
11 their chartering authorities.

12 (f) Funds appropriated for purposes of this section shall be used  
13 for costs associated with facilities rents and leases, consistent with  
14 the definitions used in the California School Accounting Manual  
15 or regulations adopted by the California School Finance Authority.  
16 These funds also may be used for costs, including, but not limited  
17 to, costs associated with remodeling buildings, deferred  
18 maintenance, initially installing or extending service systems and  
19 other built-in equipment, and improving sites.

20 (g) If an existing charter school located in an elementary  
21 attendance area in which less than 50 percent of pupil enrollment  
22 is eligible for free or reduced-price meals relocates to an attendance  
23 area identified in paragraph (2) of subdivision (c), admissions  
24 preference shall be given to pupils who reside in the elementary  
25 school attendance area into which the charter school is relocating.

26 (h) The California School Finance Authority annually shall  
27 report to the department and the Director of Finance, and post  
28 information on its Internet Web site, regarding the use of funds  
29 that have been made available during the fiscal year to each charter  
30 school pursuant to the grant program.

31 (i) The California School Finance Authority, commencing with  
32 the 2013–14 fiscal year, shall annually allocate the facilities grants  
33 to eligible charter schools according to the schedule in paragraph  
34 (4) of subdivision (c) for the current school year rent and lease  
35 costs. However, the California School Finance Authority shall first  
36 use the funding appropriated for this program to reimburse eligible  
37 charter schools for unreimbursed rent or lease costs for the prior  
38 school year.

39 (j) It is the intent of the Legislature that the funding level for  
40 the Charter School Facility Grant Program for the 2012–13 fiscal

1 year be considered the base level of funding for subsequent fiscal  
2 years.

3 (k) The Controller shall include instructions appropriate to the  
4 enforcement of this section in the audit guide required by  
5 subdivision (a) of Section 14502.1.

6 (l) The California School Finance Authority, effective with the  
7 2013–14 fiscal year, shall be considered the senior creditor for  
8 purposes of satisfying audit findings pursuant to the audit  
9 instructions to be developed pursuant to subdivision (k).

10 (m) The California School Finance Authority shall adopt  
11 emergency regulations to implement this section.

12 SEC. 38. Section 47614.7 of the Education Code is repealed.

13 SEC. 39. Section 49430.5 of the Education Code is amended  
14 to read:

15 49430.5. (a) The reimbursement a school receives for free and  
16 reduced-price meals sold or served to pupils in elementary, middle,  
17 or high schools included within a school district, charter school,  
18 or county office of education shall be twenty-two and twenty-nine  
19 hundredths cents (\$0.2229) per meal, and, for meals served in child  
20 care centers and homes, the reimbursement shall be sixteen and  
21 six tenths cents (\$0.1660) per meal.

22 (b) To qualify for the reimbursement for free and reduced-price  
23 meals provided to pupils in elementary, middle, or high schools,  
24 a school shall follow the Enhanced Food Based Meal Pattern,  
25 Nutrient Standard Meal Planning, or Traditional Meal Pattern  
26 developed by the United States Department of Agriculture or the  
27 SHAPE Menu Patterns developed by the state.

28 (c) The reimbursement rates set forth in this section shall be  
29 adjusted annually for increases in cost of living in the same manner  
30 set forth in Section 42238.1.

31 SEC. 40. Section 52055.770 of the Education Code is amended  
32 to read:

33 52055.770. (a) School districts and chartering authorities shall  
34 receive funding at the following rate, on behalf of funded schools:

35 (1) For kindergarten and grades 1 to 3, inclusive, five hundred  
36 dollars (\$500) per enrolled pupil in funded schools.

37 (2) For grades 4 to 8, inclusive, nine hundred dollars (\$900) per  
38 enrolled pupil in funded schools.

39 (3) For grades 9 to 12, inclusive, one thousand dollars (\$1,000)  
40 per enrolled pupil in funded schools.

1 (b) For purposes of subdivision (a), enrollment of a pupil in a  
2 funded school in the prior fiscal year shall be based on data from  
3 the CBEDS. For the 2007–08 fiscal year, the funded rates shall be  
4 reduced to reflect the percentage difference in the total amounts  
5 appropriated for purposes of this section in that year compared to  
6 the amounts appropriated for purposes of this section in the  
7 2008–09 fiscal year.

8 (c) The following amounts are hereby appropriated from the  
9 General Fund for the purposes set forth in subdivision (g):

10 (1) For the 2007–08 fiscal year, three hundred million dollars  
11 (\$300,000,000), to be allocated as follows:

12 (A) Thirty-two million dollars (\$32,000,000) for transfer by the  
13 Controller to Section B of the State School Fund for allocation by  
14 the Chancellor of the California Community Colleges to  
15 community colleges for the purpose of providing funding to the  
16 community colleges to improve and expand career technical  
17 education in public secondary education and lower division public  
18 higher education pursuant to Section 88532, including the hiring  
19 of additional faculty to expand the number of career technical  
20 education programs and course offerings.

21 (B) Two hundred sixty-eight million dollars (\$268,000,000) for  
22 transfer by the Controller to Section A of the State School Fund  
23 for allocation by the Superintendent pursuant to this article.

24 (2) For each of the 2008–09 and 2011–12 fiscal years, four  
25 hundred fifty million dollars (\$450,000,000) per fiscal year, to be  
26 allocated as follows:

27 (A) Forty-eight million dollars (\$48,000,000) for transfer by  
28 the Controller to Section B of the State School Fund for allocation  
29 by the Chancellor of the California Community Colleges to  
30 community colleges as required under subdivision (e) for the  
31 2008–09 fiscal year, and under subdivision (f) for the 2011–12  
32 fiscal year.

33 (B) Four hundred two million dollars (\$402,000,000) for transfer  
34 by the Controller to Section A of the State School Fund for  
35 allocation by the Superintendent pursuant to this article.

36 (3) For the 2009–10 fiscal year, thirty million dollars  
37 (\$30,000,000), to be allocated for transfer by the Controller to  
38 Section B of the State School Fund for allocation by the Chancellor  
39 of the California Community Colleges to community colleges as  
40 required under subdivision (e).

1 (4) For the 2010–11 fiscal year, four hundred twenty million  
2 dollars (\$420,000,000), to be allocated as follows:

3 (A) Eighteen million dollars (\$18,000,000) for transfer by the  
4 Controller to Section B of the State School Fund for allocation by  
5 the Chancellor of the California Community Colleges to  
6 community colleges as required under subdivision (e).

7 (B) Four hundred two million dollars (\$402,000,000) for transfer  
8 by the Controller to Section A of the State School Fund for  
9 allocation by the Superintendent pursuant to this article.

10 (5) For the 2014–15 fiscal year, the amount of the difference  
11 between the sum of amounts appropriated under paragraphs (1) to  
12 (4), inclusive, and Section 41207.6, and the total fiscal settlement  
13 agreed to by the parties in California Teachers Association, et al.  
14 v. Arnold Schwarzenegger (Super. Ct., Sacramento County, 2006,  
15 No. 05CS01165), to be allocated pursuant to subparagraphs (A)  
16 and (B). The sum of all fiscal years of funding provided pursuant  
17 to this section and Section 41207.6 shall not exceed the total funds  
18 agreed to by those parties, in accordance with both of the following:

19 (A) Eleven percent for transfer by the Controller to Section B  
20 of the State School Fund for allocation by the Chancellor of the  
21 California Community Colleges to community colleges as required  
22 under subdivision (e).

23 (B) Eighty-nine percent for transfer by the Controller to Section  
24 A of the State School Fund for allocation by the Superintendent  
25 pursuant to this article.

26 (6) Commencing with the 2010–11 fiscal year, payments made  
27 pursuant to this subdivision shall be made only on or after October  
28 8 of each fiscal year.

29 (d) The annual appropriation made under this section shall  
30 continue to be made until the Director of Finance reports to the  
31 Legislature, along with all proposed adjustments to the Governor's  
32 Budget pursuant to Section 13308 of the Government Code, that  
33 the sum of appropriations made and allocated pursuant to  
34 subdivision (c) equals the total outstanding balance of the minimum  
35 state educational funding obligation to school districts and  
36 community college districts required by Section 8 of Article XVI  
37 of the California Constitution and Chapter 213 of the Statutes of  
38 2004 for the 2004–05 and 2005–06 fiscal years, as determined in  
39 subdivision (a) or (b) of Section 41207.1.

(e) The sum transferred under subparagraph (A) of paragraph (2) of subdivision (c) for the 2008–09 fiscal year shall be allocated by the Chancellor of the California Community Colleges as follows:

(1) Thirty-eight million dollars (\$38,000,000) to the community colleges for the purpose of providing funding to the community colleges to improve and expand career technical education in public secondary education and lower division public higher education pursuant to Section 88532, including the hiring of additional faculty to expand the number of career technical education programs and course offerings.

(2) Ten million dollars (\$10,000,000) to the community colleges for the purpose of providing one-time block grants to community college districts to be used for one-time items of expenditure, including, but not limited to, the following purposes:

(A) Physical plant, scheduled maintenance, deferred maintenance, and special repairs.

(B) Instructional materials and support.

(C) Instructional equipment, including equipment related to career technical education, with priority for nursing program equipment.

(D) Library materials.

(E) Technology infrastructure.

(F) Hazardous substances abatement, cleanup, and repair.

(G) Architectural barrier removal.

(H) State-mandated local programs.

(3) The Chancellor of the California Community Colleges shall allocate the amount allocated pursuant to paragraph (2) to community college districts on an equal amount per actual full-time equivalent student (FTES) reported for the prior fiscal year, except that each community college district shall be allocated an amount not less than fifty thousand dollars (\$50,000), and the equal amount per unit of FTES shall be computed accordingly.

(4) Funds allocated under paragraph (2) shall supplement and not supplant existing expenditures and may not be counted as the community college district contribution for physical plant projects and instructional material purchases funded in Item 6870-101-0001 of Section 2.00 of the annual Budget Act.

(f) For each of the 2011–12 and 2014–15 fiscal years, the sum transferred pursuant to subparagraph (A) of paragraph (2) and

1 subparagraph (A) of paragraph (5) of subdivision (c) shall be  
2 allocated by the Chancellor of the California Community Colleges  
3 to the community colleges for the purpose of improving and  
4 expanding career technical education in public secondary education  
5 and lower division public higher education pursuant to Section  
6 88532, including the hiring of additional faculty to expand the  
7 number of career technical education programs and course  
8 offerings.

9 (g) The appropriations made under subdivision (c) and the  
10 amount specified in Section 41207.6 are for the purpose of  
11 discharging in full the minimum state educational funding  
12 obligation to school districts and community college districts  
13 pursuant to Section 8 of Article XVI of the California Constitution  
14 and Chapter 213 of the Statutes of 2004 for the 2004–05 fiscal  
15 year, and the outstanding maintenance factor for the 2005–06 fiscal  
16 year resulting from this additional payment of the Chapter 213  
17 amount for the 2004–05 fiscal year.

18 (h) For purposes of making the computations required by Section  
19 8 of Article XVI of the California Constitution, including  
20 computation of the state’s minimum funding obligation to school  
21 districts and community college districts in subsequent fiscal years,  
22 the first one billion six hundred twenty million nine hundred  
23 twenty-eight thousand dollars (\$1,620,928,000) in appropriations  
24 made pursuant to subdivision (c) and the amount specified in  
25 Section 41207.6 shall be deemed to be “General Fund revenues  
26 appropriated for school districts,” as defined in subdivision (c) of  
27 Section 41202 and “General Fund Revenues appropriated for  
28 community college districts,” as defined in subdivision (d) of  
29 Section 41202, for the 2004–05 fiscal year and included within  
30 the “total allocations to school districts and community college  
31 districts from General Fund proceeds of taxes appropriated pursuant  
32 to Article XIII B,” as defined in subdivision (e) of Section 41202,  
33 for that fiscal year. The remaining appropriations made pursuant  
34 to subdivision (c) and the amount specified in Section 41207.6  
35 shall be deemed to be “General Fund revenues appropriated for  
36 school districts,” as defined in subdivision (c) of Section 41202,  
37 and “General Fund revenues appropriated for community college  
38 districts,” as defined in subdivision (d) of Section 41202, for the  
39 2005–06 fiscal year and included within the “total allocations to  
40 school districts and community college districts from General Fund

proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202, for that fiscal year.

(i) From funds appropriated under subdivision (c), the Superintendent shall provide both of the following:

(1) Not more than two million dollars (\$2,000,000) annually to county superintendents of schools to carry out the requirements of this article, allocated in a manner similar to that created to carry out the new duties of those superintendents under the settlement agreement in the case of *Williams v. California* (Super. Ct. San Francisco, No. CGC-00-312236).

(2) Five million dollars (\$5,000,000) in the 2007–08 fiscal year to support regional assistance under Section 52055.730. It is the intent of the Legislature that the Superintendent and the president of the state board or his or her designee, along with county offices of education, seek foundational and other financial support to sustain and expand these services. Funds provided under this paragraph that are not expended in the 2007–08 fiscal year shall be reappropriated for use in subsequent fiscal years for the same purpose.

(j) Notwithstanding any other law, funds appropriated under subdivision (c) but not allocated to schools with kindergarten or grades 1 to 12, inclusive, in a fiscal year, due to program termination in any year or otherwise, shall be reappropriated in furtherance of the purposes of this article. First priority for those amounts shall be to provide cost-of-living increases and enrollment growth adjustments to funded schools.

(k) The sum of three hundred fifty thousand dollars (\$350,000) is hereby appropriated from the General Fund to the department to fund 3.0 positions to implement this article. Funding provided under this subdivision is not part of funds provided pursuant to subdivision (c).

SEC. 41. Section 56520 of the Education Code is amended to read:

56520. (a) The Legislature finds and declares all of the following:

(1) That the state has continually sought to provide an appropriate and meaningful educational program in a safe and healthy environment for all children regardless of possible physical, mental, or emotionally disabling conditions.

1 (2) That some schoolage individuals with exceptional needs  
2 have significant behavioral challenges that have an adverse impact  
3 on their learning or the learning of other pupils, or both.

4 (3) That Section 1400(c)(5)(F) of Title 20 of the United States  
5 Code states that research and experience demonstrate that the  
6 education of children with disabilities can be made more effective  
7 by providing incentives for positive behavioral interventions and  
8 supports to address the learning and behavioral needs of those  
9 children.

10 (4) That procedures for the elimination of maladaptive behaviors  
11 shall not include those deemed unacceptable under Section 49001  
12 or those that cause pain or trauma.

13 (b) It is the intent of the Legislature:

14 (1) That children exhibiting serious behavioral challenges  
15 receive timely and appropriate assessments and positive supports  
16 and interventions in accordance with the federal Individuals with  
17 Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.) and its  
18 implementing regulations.

19 (2) That assessments and positive behavioral interventions and  
20 supports be developed and implemented in a manner informed by  
21 guidance from the United States Department of Education and  
22 technical assistance centers sponsored by the Office of Special  
23 Education Programs of the United States Department of Education.

24 (3) That when behavioral interventions, supports, and other  
25 strategies are used, they be used in consideration of the pupil's  
26 physical freedom and social interaction, be administered in a  
27 manner that respects human dignity and personal privacy, and that  
28 ensure a pupil's right to placement in the least restrictive  
29 educational environment.

30 (4) That behavioral intervention plans be developed and used,  
31 to the extent possible, in a consistent manner when the pupil is  
32 also the responsibility of another agency for residential care or  
33 related services.

34 (5) That training programs be developed and implemented in  
35 institutions of higher education that train teachers and that  
36 in-service training programs be made available as necessary in  
37 school districts and county offices of education to ensure that  
38 adequately trained staff are available to work effectively with the  
39 behavioral intervention needs of individuals with exceptional  
40 needs.



1 SEC. 42. Section 56521.1 is added to the Education Code, to  
2 read:

3 56521.1. (a) Emergency interventions may only be used to  
4 control unpredictable, spontaneous behavior that poses clear and  
5 present danger of serious physical harm to the individual with  
6 exceptional needs, or others, and that cannot be immediately  
7 prevented by a response less restrictive than the temporary  
8 application of a technique used to contain the behavior.

9 (b) Emergency interventions shall not be used as a substitute  
10 for the systematic behavioral intervention plan that is designed to  
11 change, replace, modify, or eliminate a targeted behavior.

12 (c) No emergency intervention shall be employed for longer  
13 than is necessary to contain the behavior. A situation that requires  
14 prolonged use of an emergency intervention shall require the staff  
15 to seek assistance of the schoolsite administrator or law  
16 enforcement agency, as applicable to the situation.

17 (d) Emergency interventions shall not include:

18 (1) Locked seclusion, unless it is in a facility otherwise licensed  
19 or permitted by state law to use a locked room.

20 (2) Employment of a device, material, or objects that  
21 simultaneously immobilize all four extremities, except that  
22 techniques such as prone containment may be used as an  
23 emergency intervention by staff trained in those procedures.

24 (3) An amount of force that exceeds that which is reasonable  
25 and necessary under the circumstances.

26 (e) To prevent emergency interventions from being used in lieu  
27 of planned, systematic behavioral interventions, the parent,  
28 guardian, and residential care provider, if appropriate, shall be  
29 notified within one schoolday if an emergency intervention is used  
30 or serious property damage occurs. A behavioral emergency report  
31 shall immediately be completed and maintained in the file of the  
32 individual with exceptional needs. The behavioral emergency  
33 report shall include all of the following:

34 (1) The name and age of the individual with exceptional needs.

35 (2) The setting and location of the incident.

36 (3) The name of the staff or other persons involved.

37 (4) A description of the incident and the emergency intervention  
38 used, and whether the individual with exceptional needs is currently  
39 engaged in any systematic behavioral intervention plan.

1 (5) Details of any injuries sustained by the individual with  
2 exceptional needs, or others, including staff, as a result of the  
3 incident.

4 (f) All behavioral emergency reports shall immediately be  
5 forwarded to, and reviewed by, a designated responsible  
6 administrator.

7 (g) If a behavioral emergency report is written regarding an  
8 individual with exceptional needs who does not have a behavioral  
9 intervention plan, the designated responsible administrator shall,  
10 within two days, schedule an individualized education program  
11 (IEP) team meeting to review the emergency report, to determine  
12 the necessity for a functional behavioral assessment, and to  
13 determine the necessity for an interim plan. The IEP team shall  
14 document the reasons for not conducting the functional behavioral  
15 assessment, not developing an interim plan, or both.

16 (h) If a behavioral emergency report is written regarding an  
17 individual with exceptional needs who has a positive behavioral  
18 intervention plan, an incident involving a previously unseen serious  
19 behavior problem, or where a previously designed intervention is  
20 ineffective, shall be referred to the IEP team to review and  
21 determine if the incident constitutes a need to modify the positive  
22 behavioral intervention plan.

23 SEC. 43. Section 56521.2 is added to the Education Code, to  
24 read:

25 56521.2. (a) A local educational agency or nonpublic,  
26 nonsectarian school or agency serving individuals with exceptional  
27 needs pursuant to Sections 56365 and 56366, shall not authorize,  
28 order, consent to, or pay for the following interventions, or any  
29 other interventions similar to or like the following:

30 (1) Any intervention that is designed to, or likely to, cause  
31 physical pain, including, but not limited to, electric shock.

32 (2) An intervention that involves the release of noxious, toxic,  
33 or otherwise unpleasant sprays, mists, or substances in proximity  
34 to the face of the individual.

35 (3) An intervention that denies adequate sleep, food, water,  
36 shelter, bedding, physical comfort, or access to bathroom facilities.

37 (4) An intervention that is designed to subject, used to subject,  
38 or likely to subject, the individual to verbal abuse, ridicule, or  
39 humiliation, or that can be expected to cause excessive emotional  
40 trauma.

1 (5) Restrictive interventions that employ a device, material, or  
2 objects that simultaneously immobilize all four extremities,  
3 including the procedure known as prone containment, except that  
4 prone containment or similar techniques may be used by trained  
5 personnel as a limited emergency intervention.

6 (6) Locked seclusion, unless it is in a facility otherwise licensed  
7 or permitted by state law to use a locked room.

8 (7) An intervention that precludes adequate supervision of the  
9 individual.

10 (8) An intervention that deprives the individual of one or more  
11 of his or her senses.

12 (b) In the case of a child whose behavior impedes the child's  
13 learning or that of others, the individualized education program  
14 team shall consider the use of positive behavioral interventions  
15 and supports, and other strategies, to address that behavior,  
16 consistent with Section 1414(d)(3)(B)(i) and (d)(4) of Title 20 of  
17 the United States Code and associated federal regulations.

18 SEC. 44. Section 56523 of the Education Code is amended to  
19 read:

20 56523. (a) The Superintendent shall repeal those regulations  
21 governing the use of behavioral interventions with individuals with  
22 exceptional needs receiving special education and related services  
23 that are no longer supported by statute, including Section 3052  
24 and subdivisions (d), (e), (f), (g), and (ab) of Section 3001 of Title  
25 5 of the California Code of Regulations, as those provisions existed  
26 on January 10, 2013.

27 (b) This chapter is necessary to implement the federal  
28 Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400  
29 et seq.) and associated federal regulations. This chapter is intended  
30 to provide the clarity, definition, and specificity necessary for local  
31 educational agencies to comply with the federal Individuals with  
32 Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.) and shall  
33 be implemented by local educational agencies without the  
34 development by the Superintendent and adoption by the state board  
35 of any additional regulations.

36 (c) Pursuant to Section 1401(9) of Title 20 of the United States  
37 Code, special education and related services must meet the  
38 standards of the department.

39 (d) As a condition of receiving funding from the federal  
40 Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400

et seq.), a local educational agency shall agree to adhere to this chapter and implementing federal regulations set forth in this chapter.

(e) The Superintendent may monitor local educational agency compliance with this chapter and may take appropriate action, including fiscal repercussions, if either of the following is found:

(1) The local educational agency failed to comply with this chapter and failed to comply substantially with corrective action orders issued by the department resulting from monitoring findings or complaint investigations.

(2) The local educational agency failed to implement the decision of a due process hearing officer based on noncompliance with this part, provisions of the federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.), or the federal implementing regulations, wherein noncompliance resulted in the denial of, or impeded the delivery of, a free appropriate public education for an individual with exceptional needs.

(f) Commencing with the 2010–11 fiscal year, if any activities authorized pursuant to this chapter and implementing regulations are found to be a state reimbursable mandate pursuant to Section 6 of Article XIII B of the California Constitution, state funding provided for purposes of special education pursuant to Item 6110-161-0001 of Section 2.00 of the annual Budget Act shall first be used to directly offset any mandated costs.

(g) The Legislature hereby requests the Department of Finance on or before December 31, 2013, to exercise its authority pursuant to subdivision (d) of Section 17557 of the Government Code to file a request with the Commission on State Mandates for the purpose of amending the parameters and guidelines of CSM-4464 to delete any reimbursable activities that have been repealed by statute or executive order and to update offsetting revenues that apply to the mandated program.

SEC. 45. Section 56525 of the Education Code is amended to read:

56525. (a) A person recognized by the national Behavior Analyst Certification Board as a Board Certified Behavior Analyst may conduct behavior assessments and provide behavioral intervention services for individuals with exceptional needs.

(b) This section does not require a district, special education local plan area, or county office to use a Board Certified Behavior

Analyst to conduct behavior assessments and provide behavioral intervention services for individuals with exceptional needs.

SEC. 46. Section 56836.02 of the Education Code is amended to read:

56836.02. The Superintendent shall apportion funds from Section A of the State School Fund to districts and county offices of education in accordance with the allocation plan adopted pursuant to Section 56836.05, unless the allocation plan specifies that funds be apportioned to the administrative unit of the special education local plan area. If the allocation plan specifies that funds be apportioned to the administrative unit of the special education local plan area, the administrator of the special education local plan area shall, upon receipt, distribute the funds in accordance with the method adopted pursuant to subdivision (i) of Section 56195.7. The allocation plan shall, before submission to the Superintendent, be approved according to the local policymaking process established by the special education local plan area.

SEC. 47. Section 56836.08 of the Education Code is amended to read:

56836.08. (a) For the 1998–99 fiscal year, the Superintendent shall make the following computations to determine the amount of funding for each special education local plan area:

(1) Add the amount of funding per unit of average daily attendance computed for the special education local plan area pursuant to paragraph (1) of subdivision (a) of Section 56836.10 to the inflation adjustment computed pursuant to subdivision (d) for the 1998–99 fiscal year.

(2) Multiply the amount computed in paragraph (1) by the units of average daily attendance reported for the special education local plan area for the 1997–98 fiscal year, exclusive of average daily attendance for absences excused pursuant to subdivision (b) of Section 46010, as that subdivision read on July 1, 1996.

(3) Add the actual amount of the equalization adjustment, if any, computed for the 1998–99 fiscal year pursuant to Section 56836.14 to the amount computed in paragraph (2).

(4) Add or subtract, as appropriate, the adjustment for growth computed pursuant to Section 56836.15 from the amount computed in paragraph (3).

(b) For the 1999–2000 fiscal year and each fiscal year thereafter, the Superintendent shall make the following computations to

1 determine the amount of funding for each special education local  
2 plan area for the fiscal year in which the computation is made:

3 (1) Add the amount of funding per unit of average daily  
4 attendance computed for the special education local plan area for  
5 the prior fiscal year pursuant to Section 56836.10 to the inflation  
6 adjustment computed pursuant to subdivision (d) through the  
7 2012–13 fiscal year, and for the 2013–14 fiscal year and each fiscal  
8 year thereafter, the inflation adjustment computed pursuant to  
9 subdivision (g), for the fiscal year in which the computation is  
10 made.

11 (2) Multiply the amount computed in paragraph (1) by the units  
12 of average daily attendance reported for the special education local  
13 plan area for the prior fiscal year.

14 (3) Add or subtract, as appropriate, the adjustment for growth  
15 or decline in enrollment, if any, computed for the special education  
16 local plan area for the fiscal year in which the computation is made  
17 pursuant to Section 56836.15 from the amount computed in  
18 paragraph (2).

19 (c) For the 1998–99 fiscal year to the 2012–13 fiscal year,  
20 inclusive, the Superintendent shall make the following  
21 computations to determine the amount of General Fund moneys  
22 that the special education local plan area may claim:

23 (1) Add the total of the amount of property taxes for the special  
24 education local plan area pursuant to Section 2572 for the fiscal  
25 year in which the computation is made to the amount of federal  
26 funds allocated for the purposes of paragraph (1) of subdivision  
27 (a) of Section 56836.09 for the fiscal year in which the computation  
28 is made.

29 (2) Add the amount of funding computed for the special  
30 education local plan area pursuant to subdivision (a) for the  
31 1998–99 fiscal year, and commencing with the 1999–2000 fiscal  
32 year to the 2012–13 fiscal year, inclusive, the amount computed  
33 for the fiscal year in which the computations were made pursuant  
34 to subdivision (b) to the amount of funding computed for the  
35 special education local plan area pursuant to Article 3 (commencing  
36 with Section 56836.16).

37 (3) Subtract the sum computed in paragraph (1) from the sum  
38 computed in paragraph (2).

39 (d) For the 1998–99 fiscal year to the 2012–13 fiscal year,  
40 inclusive, the Superintendent shall make the following

1 computations to determine the inflation adjustment for the fiscal  
2 year in which the computation is made:

3 (1) For the 1998–99 fiscal year, multiply the sum of the  
4 statewide target amount per unit of average daily attendance for  
5 special education local plan areas for the 1997–98 fiscal year  
6 computed pursuant to paragraph (3) of subdivision (a) of Section  
7 56836.11 and the amount determined pursuant to paragraph (e) of  
8 Section 56836.155 for the 1997–98 fiscal year that corresponds to  
9 the amount determined pursuant to paragraph (1) of subdivision  
10 (d) of Section 56836.155 by the inflation adjustment computed  
11 pursuant to Section 42238.1 for the 1998–99 fiscal year.

12 (2) For the 1999–2000 fiscal year to the 2012–13 fiscal year,  
13 inclusive, multiply the sum of the statewide target amount per unit  
14 of average daily attendance for special education local plan areas  
15 for the prior fiscal year computed pursuant to Section 56836.11  
16 and the amount determined pursuant to paragraph (1) of subdivision  
17 (d) of Section 56836.155 for the prior fiscal year by the inflation  
18 adjustment computed pursuant to Section 42238.1 for the fiscal  
19 year in which the computation is made.

20 (3) For purposes of computing the inflation adjustment for the  
21 special education local plan area identified as the Los Angeles  
22 County Juvenile Court and Community School/Division of  
23 Alternative Education Special Education Local Plan Area for the  
24 1998–99 fiscal year to the 2012–13 fiscal year, inclusive, the  
25 Superintendent shall multiply the amount of funding per unit of  
26 average daily attendance computed for that special education local  
27 plan area for the prior fiscal year pursuant to Section 56836.10 by  
28 the inflation adjustment computed pursuant to Section 42238.1 for  
29 the fiscal year in which the computation is being made.

30 (e) For the 1998–99 fiscal year and each fiscal year thereafter  
31 to and including the 2002–03 fiscal year, the Superintendent shall  
32 perform the calculation set forth in Section 56836.155 to determine  
33 the adjusted entitlement for the incidence of disabilities for each  
34 special education local plan area, but this amount shall not be used  
35 in the next fiscal year to determine the base amount of funding for  
36 each special education local plan area for the current fiscal year,  
37 except as specified in this article.

38 (f) Notwithstanding any other law, for the 2013–14 fiscal year  
39 and each fiscal year thereafter, the Superintendent shall make the

1 following computations to determine the amount of General Fund  
2 moneys that the special education local plan area may claim:

3 (1) Determine the total amount of property taxes for the special  
4 education local plan area pursuant to Section 2572 for the fiscal  
5 year in which the computation is made.

6 (2) Calculate the amount of funding computed for the special  
7 education local plan area pursuant to subdivision (b) for the fiscal  
8 year in which the computation is made.

9 (3) Subtract the amount computed in paragraph (1) from the  
10 amount computed in paragraph (2).

11 (g) For the 2013–14 fiscal year and each fiscal year thereafter,  
12 the Superintendent shall make the following computations to  
13 determine the inflation adjustment for the fiscal year in which the  
14 computation is made:

15 (1) Multiply the statewide target amount per unit of average  
16 daily attendance for special education local plan areas for the prior  
17 fiscal year computed pursuant to Section 56836.11 by the inflation  
18 factor computed pursuant to Section 42238.1, as that section read  
19 on January 1, 2013, or any successor section of law enacted by the  
20 Legislature that specifies the inflation factor contained in Section  
21 42238.1, as that section read on January 1, 2013, for application  
22 to the 2013–14 fiscal year and each fiscal year thereafter.

23 (2) For purposes of computing the inflation adjustment for the  
24 special education local plan area identified as the Los Angeles  
25 County Juvenile Court and Community School/Division of  
26 Alternative Education Special Education Local Plan Area, the  
27 Superintendent shall multiply the amount of funding per unit of  
28 average daily attendance computed for that special education local  
29 plan area for the prior fiscal year pursuant to Section 56836.10 by  
30 the inflation factor computed pursuant to Section 42238.1, as that  
31 section read on January 1, 2013, or any successor section of law  
32 enacted by the Legislature that specifies the inflation factor  
33 contained in Section 42238.1, as that section read on January 1,  
34 2013, for application to the 2013–14 fiscal year and each fiscal  
35 year thereafter.

36 SEC. 48. Section 56836.10 of the Education Code is amended  
37 to read:

38 56836.10. (a) The Superintendent shall make the following  
39 computations to determine the amount of funding per unit of



1 average daily attendance for each special education local plan area  
2 for the 1998–99 fiscal year:

3 (1) Divide the amount of funding for the special education local  
4 plan area computed for the 1997–98 fiscal year pursuant to Section  
5 56836.09 by the number of units of average daily attendance,  
6 exclusive of average daily attendance for absences excused  
7 pursuant to subdivision (b) of Section 46010 as that subdivision  
8 read on July 1, 1997, reported for the special education local plan  
9 area for the 1997–98 fiscal year.

10 (2) Add the amount computed in paragraph (1) to the inflation  
11 adjustment computed pursuant to subdivision (d) of Section  
12 56836.08 for the 1998–99 fiscal year.

13 (b) Commencing with the 1999–2000 fiscal year and continuing  
14 through the 2012–13 fiscal year, inclusive, the Superintendent  
15 shall make the following computations to determine the amount  
16 of funding per unit of average daily attendance for each special  
17 education local plan area for the fiscal year in which the  
18 computation is made:

19 (1) For the 1999–2000 fiscal year, divide the amount of funding  
20 for the special education local plan area computed for the 1998–99  
21 fiscal year pursuant to subdivision (a) of Section 56836.08 by the  
22 number of units of average daily attendance upon which funding  
23 is based pursuant to subdivision (a) of Section 56836.15 for the  
24 special education local plan area for the 1998–99 fiscal year.

25 (2) For the 2000–01 fiscal year, to the 2012–13 fiscal year,  
26 inclusive, divide the amount of funding for the special education  
27 local plan area computed for the prior fiscal year pursuant to  
28 subdivision (b) of Section 56836.08 by the number of units of  
29 average daily attendance upon which funding is based pursuant to  
30 subdivision (a) of Section 56836.15 for the special education local  
31 plan area for the prior fiscal year.

32 (c) Notwithstanding any other law, for the 2013–14 fiscal year,  
33 the Superintendent shall make the following computations to  
34 determine the amount of funding per unit of average daily  
35 attendance for each special education local plan area:

36 (1) From the amount of funding for the special education local  
37 plan area computed for the 2012–13 fiscal year pursuant to  
38 subdivision (b) of Section 56836.08, subtract the total amount of  
39 federal funds apportioned to the special education local plan area  
40 pursuant to Schedule (1) of Item 6110-161-0890 of Section 2.00

1 of the Budget Act of 2013 for purposes of special education for  
2 individuals with exceptional needs enrolled in kindergarten and  
3 grades 1 to 12, inclusive.

4 (2) Divide the amount computed in paragraph (1) by the number  
5 of units of average daily attendance upon which funding is based  
6 pursuant to subdivision (a) of Section 56836.15 for the special  
7 education local plan area for the 2012–13 fiscal year.

8 (d) For the 2014–15 fiscal year, and each fiscal year thereafter,  
9 divide the amount of funding for the special education local plan  
10 area computed for the prior fiscal year pursuant to subdivision (b)  
11 of Section 56836.08 by the number of units of average daily  
12 attendance upon which funding is based pursuant to subdivision  
13 (a) of Section 56836.15 for the special education local plan area  
14 for the prior fiscal year. For the 2014–15 fiscal year, the amount  
15 of funding per unit of average daily attendance for each special  
16 education local plan area shall include funding provided pursuant  
17 to Section 56836.145.

18 SEC. 49. Section 56836.11 of the Education Code is amended  
19 to read:

20 56836.11. (a) For the purpose of computing the equalization  
21 adjustment for special education local plan areas for the 1998–99  
22 fiscal year, the Superintendent shall make the following  
23 computations to determine the statewide target amount per unit of  
24 average daily attendance for special education local plan areas:

25 (1) Total the amount of funding computed for each special  
26 education local plan area exclusive of the amount of funding  
27 computed for the special education local plan area identified as  
28 the Los Angeles County Juvenile Court and Community  
29 School/Division of Alternative Education Special Education Local  
30 Plan Area, pursuant to Section 56836.09 for the 1997–98 fiscal  
31 year.

32 (2) Total the number of units of average daily attendance  
33 reported for each special education local plan area for the 1997–98  
34 fiscal year, exclusive of average daily attendance for absences  
35 excused pursuant to subdivision (b) of Section 46010 as that section  
36 read on July 1, 1996, and exclusive of the units of average daily  
37 attendance computed for the special education local plan area  
38 identified as the Los Angeles County Juvenile Court and  
39 Community School/Division of Alternative Education Special  
40 Education Local Plan Area.

1 (3) Divide the sum computed in paragraph (1) by the sum  
2 computed in paragraph (2) to determine the statewide target amount  
3 for the 1997–98 fiscal year.

4 (4) Add the amount computed in paragraph (3) to the inflation  
5 adjustment computed pursuant to subdivision (d) of Section  
6 56836.08 for the 1998–99 fiscal year to determine the statewide  
7 target amount for the 1998–99 fiscal year.

8 (b) Commencing with the 1999–2000 fiscal year to the 2004–05  
9 fiscal year, inclusive, to determine the statewide target amount per  
10 unit of average daily attendance for special education local plan  
11 areas, the Superintendent shall multiply the statewide target amount  
12 per unit of average daily attendance computed for the prior fiscal  
13 year pursuant to this section by one plus the inflation factor  
14 computed pursuant to subdivision (b) of Section 42238.1 for the  
15 fiscal year in which the computation is made.

16 (c) Commencing with the 2005–06 fiscal year and each fiscal  
17 year thereafter, to determine the statewide target amount per unit  
18 of average daily attendance for special education local plan areas  
19 for the purpose of computing the incidence multiplier pursuant to  
20 Section 56836.155, the Superintendent shall add the statewide  
21 target amount per unit of average daily attendance computed for  
22 the prior fiscal year for this purpose to the amount computed in  
23 paragraph (2) of subdivision (d) or paragraph (2) of subdivision  
24 (e), as appropriate.

25 (d) For the 2005–06 fiscal year, the Superintendent shall make  
26 the following computation to determine the statewide target amount  
27 per unit of average daily attendance to determine the inflation  
28 adjustment pursuant to paragraph (2) of subdivision (d) of Section  
29 56836.08 and growth pursuant to subdivision (c) of Section  
30 56836.15, as follows:

31 (1) The 2004–05 fiscal year statewide target amount per unit of  
32 average daily attendance less the sum of the 2004–05 fiscal year  
33 total amount of federal funds apportioned pursuant to Schedule  
34 (1) in Item 6110-161-0890 of Section 2.00 of the Budget Act of  
35 2004 for purposes of special education for individuals with  
36 exceptional needs enrolled in kindergarten and grades 1 to 12,  
37 inclusive, divided by the total average daily attendance computed  
38 for the 2004–05 fiscal year.

(2) Multiply the amount computed in paragraph (1) by the inflation factor computed pursuant to subdivision (b) of Section 42238.1 for the fiscal year in which the computation is made.

(3) Add the amounts computed in paragraphs (1) and (2).

(e) Commencing with the 2006–07 fiscal year and continuing through the 2012–13 fiscal year, inclusive, the Superintendent shall make the following computation to determine the statewide target amount per unit of average daily attendance for special education local plan areas for the purpose of computing the inflation adjustment pursuant to paragraph (2) of subdivision (d) of Section 56836.08 and growth pursuant to subdivision (c) of Section 56836.15:

(1) The statewide target amount per unit of average daily attendance computed for the prior fiscal year pursuant to this section.

(2) Multiply the amount computed in paragraph (1) by the inflation factor computed pursuant to subdivision (b) of Section 42238.1 for the fiscal year in which the computation is made.

(3) Add the amounts computed in paragraphs (1) and (2).

(f) For the 2013–14 fiscal year, the Superintendent shall make the following computations to determine the statewide target amount per unit of average daily attendance to determine the inflation adjustment pursuant to subdivision (g) of Section 56836.08 and growth pursuant to subdivision (c) of Section 56836.15, as follows:

(1) Total the amount of funding computed for each special education local plan area pursuant to the amount computed in subdivision (b) of Section 56836.08 exclusive of the amount of funding computed for the special education local plan area identified as the Los Angeles County Juvenile Court and Community School/Division of Alternative Education Special Education Local Plan Area, for the 2013–14 fiscal year.

(2) Total the number of units of average daily attendance reported for each special education local plan area for the 2012–13 fiscal year, exclusive of the units of average daily attendance computed for the special education local plan area identified as the Los Angeles County Juvenile Court and Community School/Division of Alternative Education Special Education Local Plan Area.

1 (3) Divide the sum computed in paragraph (1) by the sum  
2 computed in paragraph (2).

3 (g) Commencing with the 2014–15 fiscal year and continuing  
4 each fiscal year thereafter, the Superintendent shall make the  
5 following computations to determine the statewide target amount  
6 per unit of average daily attendance for special education local  
7 plan areas for the purpose of computing the inflation adjustment  
8 pursuant to subdivision (g) of Section 56836.08 and growth  
9 pursuant to subdivision (c) of Section 56836.15:

10 (1) The statewide target amount per unit of average daily  
11 attendance computed for the prior fiscal year pursuant to this  
12 section.

13 (2) Multiply the amount computed in paragraph (1) by the  
14 inflation factor computed pursuant to Section 42238.1, as that  
15 section read on January 1, 2013, or any successor section of law  
16 enacted by the Legislature that specifies the inflation factor  
17 contained in Section 42238.1, as that section read on January 1,  
18 2013, for application to the 2014–15 fiscal year and each fiscal  
19 year thereafter.

20 (3) Add the amounts computed in paragraphs (1) and (2).

21 SEC. 50. Section 56836.12 of the Education Code is repealed.

22 SEC. 51. Section 56836.13 of the Education Code is repealed.

23 SEC. 52. Section 56836.14 of the Education Code is repealed.

24 SEC. 53. Section 56836.145 is added to the Education Code,  
25 to read:

26 56836.145. (a) For the 2013–14 fiscal year, the Superintendent  
27 shall compute an equalization adjustment for each special education  
28 local plan area, exclusive of the special education local plan area  
29 identified as the Los Angeles County Juvenile Court and  
30 Community School/Division of Alternative Education Special  
31 Education Local Plan Area, so that the special education funding  
32 rate per unit of average daily attendance calculated pursuant to  
33 subdivision (c) of Section 56836.10 of a special education local  
34 plan area is not less than the special education funding rate per  
35 unit of average daily attendance calculated pursuant to subdivision  
36 (c) of Section 56836.10 that does not fall below more than 10  
37 percent of the total statewide units of average daily attendance for  
38 each special education local plan area.

39 (b) The Superintendent shall compute an equalization adjustment  
40 for each special education local plan area's special education

1 funding rate per unit of average daily attendance, exclusive of the  
2 special education local plan area identified as the Los Angeles  
3 County Juvenile Court and Community School/Division of  
4 Alternative Education Special Education Local Plan Area, as  
5 follows:

6 (1) Multiply the amount computed for each special education  
7 local plan area pursuant to subdivision (a) by the average daily  
8 attendance used to calculate the special education local plan area's  
9 special education funding for the 2013–14 fiscal year.

10 (2) Divide the amount appropriated for purposes of this section  
11 for the 2013–14 fiscal year by the statewide sum of the amount  
12 computed pursuant to paragraph (1).

13 (3) Multiply the amount computed for the special education  
14 local plan area pursuant to subdivision (a) by the amount computed  
15 pursuant to paragraph (2).

16 (c) For purposes of this section, the statewide 90th percentile  
17 special education funding rate determined pursuant to subdivision  
18 (a), and the fraction computed pursuant to paragraph (2) of  
19 subdivision (b) for the 2012–13 second principal apportionment,  
20 shall be final, and shall not be recalculated at subsequent  
21 apportionments. The fraction computed pursuant to paragraph (2)  
22 of subdivision (b) shall not exceed 1.00.

23 SEC. 54. Section 56836.15 of the Education Code is amended  
24 to read:

25 56836.15. (a) In order to mitigate the effects of any declining  
26 enrollment, commencing in the 1998–99 fiscal year, and each fiscal  
27 year thereafter, the Superintendent shall calculate allocations to  
28 special education local plan areas based on the average daily  
29 attendance reported for the special education local plan area for  
30 the fiscal year in which the computation is made or the prior fiscal  
31 year, whichever is greater. However, the prior fiscal year average  
32 daily attendance reported for the special education local plan area  
33 shall be adjusted for any loss or gain of average daily attendance  
34 reported for the special education local plan area due to a  
35 reorganization or transfer of territory in the special education local  
36 plan area.

37 (b) For the 1998–99 fiscal year only, the prior year average  
38 daily attendance used in this section shall be the 1997–98 average  
39 daily attendance reported for the special education local plan area,  
40 exclusive of average daily attendance for absences excused

1 pursuant to subdivision (b) of Section 46010, as that section read  
2 on July 1, 1996.

3 (c) If in the fiscal year for which the computation is made, the  
4 number of units of average daily attendance upon which allocations  
5 to the special education local plan area are based is greater than  
6 the number of units of average daily attendance upon which  
7 allocations to the special education local plan area were based in  
8 the prior fiscal year, the special education local plan area shall be  
9 allocated a growth adjustment equal to the product determined by  
10 multiplying the amounts determined under paragraphs (1) and (2).

11 (1) The statewide target amount per unit of average daily  
12 attendance for special education local plan areas determined  
13 pursuant to Section 56836.11, added to the amount determined in  
14 paragraph (1) of subdivision (d) of Section 56836.155.

15 (2) The difference between the number of units of average daily  
16 attendance upon which allocations to the special education local  
17 plan area are based for the fiscal year in which the computation is  
18 made and the number of units of average daily attendance upon  
19 which allocations to the special education local plan area were  
20 based for the prior fiscal year.

21 (d) If in the fiscal year for which the computation is made, the  
22 number of units of average daily attendance upon which allocations  
23 to the special education local plan area are based is less than the  
24 number of units of average daily attendance upon which allocations  
25 to the special education local plan area were based in the prior  
26 fiscal year, the special education local plan area shall receive a  
27 funding reduction equal to the product determined by multiplying  
28 the amounts determined under paragraphs (1) and (2):

29 (1) The amount of funding per unit of average daily attendance  
30 computed for the special education local plan area for the prior  
31 fiscal year. For the 2013–14 fiscal year only, the amount of funding  
32 per unit of average daily attendance computed for the special  
33 education local plan area for the 2013–14 fiscal year shall be used  
34 for this purpose.

35 (2) The difference between the number of units of average daily  
36 attendance upon which allocations to the special education local  
37 plan area are based for the fiscal year in which the computation is  
38 made and the number of units of average daily attendance upon  
39 which allocations to the special education local plan area were  
40 based for the prior fiscal year.

(e) If, in the fiscal year for which the computation is made, the number of units of average daily attendance upon which the allocations to the special education local plan area identified as the Los Angeles County Juvenile Court and Community School/Division of Alternative Education Special Education Local Plan Area are based is greater than the number of units of average daily attendance upon which the allocations to that special education local plan area were based in the prior fiscal year, that special education local plan area shall be allocated a growth adjustment equal to the product determined by multiplying the amounts determined under paragraphs (1) and (2).

(1) The amount of funding per unit of average daily attendance computed for the special education local plan area for the prior fiscal year pursuant to Section 56836.10 multiplied by one plus the inflation factor computed pursuant to Section 42238.1, as that section read on January 1, 2013, or any successor section of law enacted by the Legislature that specifies the inflation factor contained in Section 42238.1, as that section read on January 1, 2013. For the 2013–14 fiscal year only, the amount of funding per unit of average daily attendance computed for the special education local plan area for the 2013–14 fiscal year shall be used, and multiplied by one plus the inflation factor computed pursuant to Section 42238.1, as that section read on January 1, 2013, or any successor section of law enacted by the Legislature that specifies the inflation factor contained in Section 42238.1, as that section read on January 1, 2013, for application to the 2013–14 fiscal year and each fiscal year thereafter.

(2) The difference between the number of units of average daily attendance upon which allocations to the special education local plan area are based for the fiscal year in which the computation is made and the number of units of average daily attendance upon which allocations to the special education local plan area were based for the prior fiscal year.

SEC. 55. Section 56836.22 of the Education Code is amended to read:

56836.22. (a) Commencing with the 1985–86 fiscal year, and for each fiscal year thereafter, funds to support special education and related services as required under the individualized education program for each pupil with low-incidence disabilities, as defined in Section 56026.5, shall be determined by dividing the total



1 number of pupils with low-incidence disabilities in the state, as  
2 reported on December 1 of the prior fiscal year, into the annual  
3 appropriation provided for this purpose in the Budget Act.

4 (b) The per-pupil entitlement determined pursuant to subdivision  
5 (a) shall be multiplied by the number of pupils with low-incidence  
6 disabilities in each special education local plan area to determine  
7 the total funds available for each local plan.

8 (c) The Superintendent shall apportion the amount determined  
9 pursuant to subdivision (b) to the special education local plan area  
10 for purposes of providing special education and related services  
11 as required under the individualized education program for each  
12 pupil with low-incidence disabilities.

13 SEC. 56. Section 56836.23 of the Education Code is amended  
14 to read:

15 56836.23. Each special education local plan area shall dedicate  
16 a portion of the funds it receives pursuant to Section 56836.10 for  
17 regionalized operations and services and the direct instructional  
18 support of program specialists. As a condition of receiving those  
19 funds, the special education local plan area shall ensure that all  
20 functions listed below are performed in accordance with the  
21 description set forth in its local plan adopted pursuant to Section  
22 56205:

23 (a) Coordination of the special education local plan area and  
24 the implementation of the local plan.

25 (b) Coordinated system of identification and assessment.

26 (c) Coordinated system of procedural safeguards.

27 (d) Coordinated system of staff development and parent and  
28 guardian education.

29 (e) Coordinated system of curriculum development and  
30 alignment with the core curriculum.

31 (f) Coordinated system of internal program review, evaluation  
32 of the effectiveness of the local plan, and implementation of a local  
33 plan accountability mechanism.

34 (g) Coordinated system of data collection and management.

35 (h) Coordination of interagency agreements.

36 (i) Coordination of services to medical facilities.

37 (j) Coordination of services to licensed children's institutions  
38 and foster family homes.

39 (k) Preparation and transmission of required special education  
40 local plan area reports.

1 (l) Fiscal and logistical support of the community advisory  
2 committee.

3 (m) Coordination of transportation services for individuals with  
4 exceptional needs.

5 (n) Coordination of career and vocational education and  
6 transition services.

7 (o) Assurance of full educational opportunity.

8 (p) Fiscal administration and the allocation of state and federal  
9 funds pursuant to Section 56836.01.

10 (q) Direct instructional program support that may be provided  
11 by program specialists in accordance with Section 56368.

12 SEC. 57. Section 56836.24 of the Education Code is repealed.

13 SEC. 58. Section 56836.25 of the Education Code is repealed.

14 SEC. 59. Section 56836.30 of the Education Code is repealed.

15 SEC. 60. Section 56836.31 is added to the Education Code, to  
16 read:

17 56836.31. To accomplish the activities set forth in Section  
18 56836.23, supplemental funds shall be apportioned to special  
19 education local plan areas that are designated as necessary small  
20 special education local plan areas in accordance with Section 56212  
21 and that report fewer than 15,000 units of average daily attendance.

22 (a) For 2013–14 fiscal year and each fiscal year thereafter, the  
23 Superintendent shall allocate this supplemental amount based on  
24 the following computations:

25 (1) Calculate the difference between the number of units of  
26 average daily attendance reported for the necessary small special  
27 education local plan area for the current fiscal year and 15,000  
28 units of average daily attendance.

29 (2) Multiply the amount calculated in paragraph (1) by the rate  
30 calculated in subdivision (b).

31 (b) For the 2013–14 fiscal year, the supplemental rate per unit  
32 of average daily attendance shall be fifteen dollars (\$15). For the  
33 2014–15 fiscal year and each fiscal year thereafter, the  
34 supplemental rate per unit of average daily attendance shall be  
35 fifteen dollars (\$15) multiplied by one plus the inflation factor  
36 computed pursuant to subdivision (b) of Section 42238.1 for the  
37 current fiscal year.

38 SEC. 61. Section 60810 of the Education Code is amended to  
39 read:

1     60810. (a) (1) The Superintendent shall review existing tests  
2 that assess the English language development of pupils whose  
3 primary language is a language other than English. The tests shall  
4 include, but not be limited to, an assessment of achievement of  
5 these pupils in English reading, speaking, and written skills. The  
6 Superintendent shall determine which tests, if any, meet the  
7 requirements of subdivisions (b) and (c). If any existing test or  
8 series of tests meets these criteria, the Superintendent, with  
9 approval of the state board, shall report to the Legislature on its  
10 findings and recommendations.

11     (2) If no suitable test exists, the Superintendent shall explore  
12 the option of a collaborative effort with other states to develop a  
13 test or series of tests and share test development costs. If no suitable  
14 test exists, the Superintendent, with approval of the state board,  
15 may contract to develop a test or series of tests that meets the  
16 criteria of subdivisions (b) and (c) or may contract to modify an  
17 existing test or series of tests so that it will meet the requirements  
18 of subdivisions (b) and (c).

19     (3) The Superintendent and the state board shall release a request  
20 for proposals for the development of the test or series of tests  
21 required by this subdivision. The state board shall select a  
22 contractor or contractors for the development of the test or series  
23 of tests required by this subdivision, to be available for  
24 administration during the 2000–01 school year.

25     (4) The Superintendent shall apportion funds appropriated to  
26 enable school districts to meet the requirements of subdivision (d).  
27 The state board shall establish the amount of funding to be  
28 apportioned per test administered, based on a review of the cost  
29 per test.

30     (5) An adjustment to the amount of funding to be apportioned  
31 per test is not valid without the approval of the Director of Finance.  
32 A request for approval of an adjustment to the amount of funding  
33 to be apportioned per test shall be submitted in writing to the  
34 Director of Finance and the chairpersons of the fiscal committees  
35 of both houses of the Legislature with accompanying material  
36 justifying the proposed adjustment. The Director of Finance is  
37 authorized to approve only those adjustments related to activities  
38 required by statute. The Director of Finance shall approve or  
39 disapprove the amount within 30 days of receipt of the request and

1 shall notify the chairpersons of the fiscal committees of both houses  
2 of the Legislature of the decision.

3 (b) (1) The test or series of tests developed or acquired pursuant  
4 to subdivision (a) shall have sufficient range to assess pupils in  
5 grades 2 to 12, inclusive, in English listening, speaking, reading,  
6 and writing skills. Pupils in kindergarten and grade 1 shall be  
7 assessed in English listening and speaking, and, once an assessment  
8 is developed, early literacy skills. The early literacy assessment  
9 shall be administered for a period of four years beginning after the  
10 initial administration of the assessment or until July 1, 2014,  
11 whichever occurs first. Six months after the three administered  
12 assessments are collected, but no later than June 30, 2013, the  
13 department shall report to the Legislature on the administration of  
14 the kindergarten and grade 1 early literacy assessment results, as  
15 well as on the administrative process, in order to determine whether  
16 reauthorization of the early literacy assessment is appropriate.

17 (2) In the development and administration of the assessment  
18 for pupils in kindergarten and grade 1, the department shall  
19 minimize any additional assessment time, to the extent possible.  
20 To the extent that it is technically possible, items that are used to  
21 assess listening and speaking shall be used to measure early literacy  
22 skills. The department shall ensure that the test and procedures for  
23 its administration are age and developmentally appropriate. Age  
24 and developmentally appropriate procedures for administration  
25 may include, but are not limited to, one-on-one administration, a  
26 small group setting, and orally responding or circling a response  
27 to a question.

28 (c) The test or series of tests shall meet all of the following  
29 requirements:

30 (1) Provide sufficient information about pupils at each grade  
31 level to determine levels of proficiency ranging from no English  
32 proficiency to fluent English proficiency with at least two  
33 intermediate levels.

34 (2) Have psychometric properties of reliability and validity  
35 deemed adequate by technical experts.

36 (3) Be capable of administration to pupils with any primary  
37 language other than English.

38 (4) Be capable of administration by classroom teachers.

39 (5) Yield scores that allow comparison of the growth of a pupil  
40 over time, can be tied to readiness for various instructional options,

1 and can be aggregated for use in the evaluation of program  
2 effectiveness.

3 (6) Not discriminate on the basis of race, ethnicity, or gender.

4 (7) Be aligned with the standards for English language  
5 development adopted by the state board pursuant to Section 60811.

6 (8) Be age and developmentally appropriate for pupils.

7 (d) The test shall be used for the following purposes:

8 (1) To identify pupils who are limited English proficient.

9 (2) To determine the level of English language proficiency of  
10 pupils who are limited English proficient.

11 (3) To assess the progress of limited-English-proficient pupils  
12 in acquiring the skills of listening, reading, speaking, and writing  
13 in English.

14 (e) (1) A pupil in any of grades 3 to 12, inclusive, shall not be  
15 required to retake those portions of the test that measure English  
16 language skills for which he or she has previously tested as  
17 advanced within each appropriate grade span, as determined by  
18 the department in accordance with paragraph (8) of subdivision  
19 (c).

20 (2) Notwithstanding paragraph (1), a pupil in any of grades 10  
21 to 12, inclusive, shall not be required to retake those portions of  
22 the test that measure English language skills for which he or she  
23 has previously tested as early advanced or advanced.

24 (3) This subdivision shall not be implemented until the test  
25 publisher's contract that is in effect on January 1, 2012, expires.

26 (4) This subdivision shall not be implemented unless and until  
27 the department receives written documentation from the United  
28 States Department of Education that implementation is permitted  
29 by federal law.

30 SEC. 62. Section 66025.92 is added to the Education Code, to  
31 read:

32 66025.92. (a) The Legislature finds and declares that the  
33 priority enrollment for registration required by this section is  
34 necessary to ensure that the flexibility related to educational  
35 opportunities that was adopted as part of the broader changes to  
36 the California Work Opportunity and Responsibility to Kids  
37 (CalWORKs) program in Chapter 47 of the Statutes of 2012 is not  
38 undermined by students who are CalWORKs recipients being  
39 unable to access necessary classes.

(b) Each community college district that administers a priority enrollment system shall grant priority in that system for registration for enrollment to any student who is a CalWORKs recipient.

(c) Students who receive priority registration for enrollment pursuant to this section shall comply with the requirements of subdivision (a) of Section 78212.

(d) For purposes of this section, “CalWORKs recipient” means a recipient of aid under Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code or any successor program.

SEC. 63. Section 79146 of the Education Code is amended to read:

79146. To the extent sufficient resources exist, the board of governors may establish internship training programs and actively support apprenticeship training programs in collaboration with the Division of Apprenticeship Standards of the Department of Industrial Relations. The board of governors may establish internship training programs pursuant to this section for only those occupations not covered by an apprenticeship training program approved by the Division of Apprenticeship Standards of the Department of Industrial Relations before January 1, 1998.

SEC. 64. Section 79148 of the Education Code is amended to read:

79148. To the extent that sufficient federal funds and other resources are available, the Division of Apprenticeship Standards of the Department of Industrial Relations, in partnership with the California Community Colleges, shall develop and implement innovative apprenticeship training demonstration projects in high-growth industries in emerging and transitioning occupations that meet local labor market needs and that are validated by current labor market data.

SEC. 65. Section 79149 is added to the Education Code, to read:

79149. (a) The Chancellor of the California Community Colleges shall be responsible for allocating funds for apprenticeship programs in good standing and approved pursuant to Chapter 4 (commencing with Section 3070) of Division 3 of the Labor Code for the community colleges.

(b) Upon appropriation by the Legislature, the Chancellor of the California Community Colleges shall allocate funds solely for

1 the purposes of reimbursing community colleges pursuant to  
2 Section 79149.3.

3 SEC. 66. Section 79149.1 is added to the Education Code, to  
4 read:

5 79149.1. Attendance of apprentices enrolled in any class  
6 maintained by a community college, pursuant to Section 3074 of  
7 the Labor Code, shall be reimbursed pursuant to Section 79149.3  
8 only if reported separately to the Chancellor of the California  
9 Community Colleges. Attendance reported pursuant to this section  
10 shall be used only for purposes of calculating allowances pursuant  
11 to Section 79149.3.

12 SEC. 67. Section 79149.2 is added to the Education Code, to  
13 read:

14 79149.2. (a) An apprentice attending community college in  
15 classes of related and supplemental instruction as provided pursuant  
16 to Section 3074 of the Labor Code and in accordance with  
17 subdivision (d) of Section 3078 of the Labor Code shall be exempt  
18 from the requirements of any interdistrict attendance agreement  
19 for those classes.

20 (b) A community college shall be exempt from Section 55301  
21 of Title 5 of the California Code of Regulations when establishing  
22 an apprenticeship course or program outside the territory of its  
23 community college district for nonresidents of that district when  
24 the participants in the class are indentured apprentices and the  
25 apprenticeship course or program is approved by the Division of  
26 Apprenticeship Standards of the Department of Industrial Relations.

27 SEC. 68. Section 79149.3 is added to the Education Code, to  
28 read:

29 79149.3. (a) The reimbursement rate shall be established in  
30 the annual Budget Act and the rate shall be commonly applied to  
31 all providers of instruction specified in subdivision (d).

32 (b) For purposes of this section, each hour of teaching time may  
33 include up to 10 minutes of passing time and breaks.

34 (c) This section also applies to isolated apprentices, as defined  
35 in Section 3074 of the Labor Code, for which alternative methods  
36 of instruction are provided.

37 (d) The Chancellor of the California Community Colleges shall  
38 make the reimbursements specified in this section for teaching  
39 time provided by community colleges.

(e) The hours for related and supplemental instruction derived from funds appropriated pursuant to subdivision (b) of Section 79149 shall be allocated by the Chancellor of the California Community Colleges directly to participating community colleges that contract with apprenticeship programs pursuant to subdivision (f).

(f) Reimbursements may be made under this section for related and supplemental instruction provided to indentured apprentices only if the instruction is provided by a program approved by the Division of Apprenticeship Standards of the Department of Industrial Relations in accordance with Chapter 4 (commencing with Section 3070) of Division 3 of the Labor Code.

(g) The initial allocation of hours for related and supplemental instruction pursuant to subdivision (e) at the beginning of any fiscal year when multiplied by the hourly rate established in the Budget Act for that year shall equal 100 percent of total appropriation for apprenticeships.

(h) If funds remain from the appropriation pursuant to subdivision (b) of Section 79149, the Chancellor of the California Community Colleges shall reimburse community colleges for unfunded related and supplemental instruction hours from any of the three previous fiscal years, in the following order:

(1) Reported related and supplemental instruction hours as described in subdivision (b) of Section 79149.5 that were paid at a rate less than the hourly rate specified in the Budget Act.

(2) Reported related and supplemental instruction hours that were not reimbursed.

SEC. 69. Section 79149.4 is added to the Education Code, to read:

79149.4. For purposes of the California Firefighter Joint Apprenticeship Program, a class of related and supplemental instruction that qualifies for funding pursuant to Section 79149.3 includes, but is not necessarily limited to, a class that meets both of the following requirements:

(a) The class is conducted at the workplace.

(b) The person providing instruction is qualified, by means of education or experience, as a journeyman and shares the responsibility for supervision of the apprentices participating in the classes with the certified community college or adult education coordinator.



1 SEC. 70. Section 79149.5 is added to the Education Code, to  
2 read:

3 79149.5. (a) The Chancellor of the California Community  
4 Colleges, in consultation with the Division of Apprenticeship  
5 Standards of the Department of Industrial Relations and the  
6 Superintendent, shall annually review the amount of state funding  
7 necessary to provide the reimbursements specified in Section  
8 79149.3, and shall include an estimate of required funds in its  
9 budget for each fiscal year.

10 (b) If the amounts appropriated in any fiscal year are insufficient  
11 to provide full reimbursement, the hourly rate specified in Section  
12 79149 shall be reduced on a pro rata basis only for reported hours  
13 that are in excess of the number of hours allocated at the beginning  
14 of the fiscal year so that the entire appropriation is allocated.

15 (c) If the amount appropriated is in excess of the amounts needed  
16 for full reimbursement pursuant to subdivision (h) of section  
17 79149.3, any excess shall be allocated to community college  
18 districts to be used for the purpose of the state general  
19 apportionment.

20 SEC. 71. Section 79149.6 is added to the Education Code, to  
21 read:

22 79149.6. (a) The Chancellor of the California Community  
23 Colleges and the Division of Apprenticeship Standards of the  
24 Department of Industrial Relations, in consultation with the  
25 Superintendent, shall jointly develop a model format for  
26 agreements between apprenticeship programs and community  
27 colleges for instruction pursuant to Section 3074 of the Labor  
28 Code.

29 (b) By March 14, 2014, the Chancellor of the California  
30 Community Colleges and the Division of Apprenticeship Standards  
31 of the Department of Industrial Relations, with equal participation  
32 by local educational agencies and community college  
33 apprenticeship administrators, shall develop common  
34 administrative practices and treatment of costs and services, as  
35 well as other policies related to apprenticeship programs. Any  
36 policies developed pursuant to this subdivision shall become  
37 operative upon approval by the California Apprenticeship Council.

38 SEC. 72. Section 84043 of the Education Code is amended to  
39 read:

1 84043. (a) (1) Notwithstanding any other law, and unless  
2 otherwise prohibited under federal law, for the 2009–10 to 2014–15  
3 fiscal years, inclusive, community college districts may use funding  
4 received, pursuant to subdivision (b), from any of the programs  
5 listed in paragraph (2) that are contained in Item 6870-101-0001  
6 of Section 2.00 of the annual Budget Act, for the purposes of any  
7 of the programs contained in Schedule (2) and Schedules (4) to  
8 (23), inclusive, of Item 6870-101-0001 of Section 2.00 of the  
9 Budget Act of 2009.

10 (2) (A) Academic Senate for the Community Colleges.

11 (B) Equal Employment Opportunity.

12 (C) Part-time Faculty Health Insurance.

13 (D) Part-time Faculty Compensation.

14 (E) Part-time Faculty Office Hours.

15 (F) Economic Development.

16 (G) Transfer Education and Articulation.

17 (H) Physical Plant and Instructional Support.

18 (I) Campus Childcare Tax Bailout.

19 (b) For the 2009–10 to 2014–15 fiscal years, inclusive, the  
20 chancellor shall apportion from the amounts provided in the annual  
21 Budget Act for the programs enumerated in paragraph (2) of  
22 subdivision (a), an amount to a community college district, based  
23 on the same relative proportion that the community college district  
24 received in the 2008–09 fiscal year for the programs enumerated  
25 in paragraph (2) of subdivision (a). The amounts allocated shall  
26 be adjusted for any greater or lesser amount appropriated for the  
27 items enumerated in paragraph (2) of subdivision (a).

28 (c) (1) This section does not obligate the state to refund or repay  
29 reductions made pursuant to this section. A decision by a  
30 community college district to reduce funding pursuant to this  
31 section for a state-mandated local program shall constitute a waiver  
32 of the subvention of funds that the community college district is  
33 otherwise entitled to pursuant to Section 6 of Article XIII B of the  
34 California Constitution on the amount so reduced.

35 (2) If a community college district elects to use funding received  
36 pursuant to subdivision (b) in the manner authorized pursuant to  
37 subdivision (a), the governing board of the community college  
38 district shall, at a regularly scheduled open public hearing, take  
39 testimony from the public, discuss, and shall approve or disapprove  
40 the proposed use of funding.

1 (3) (A) If a community college district elects to use funding  
2 received pursuant to subdivision (b) in the manner authorized  
3 pursuant to subdivision (a), the community college district shall  
4 continue to report the expenditures pursuant to this section by  
5 using the appropriate codes to indicate the activities for which  
6 these funds were expended using the existing standard reporting  
7 process as determined by the chancellor.

8 (B) The chancellor shall collect the information in subparagraph  
9 (A) and shall provide that information to the Department of Finance  
10 and to the appropriate policy and budget committees of the  
11 Legislature on or before April 15, 2010, and annually thereafter  
12 by April 15 of each year, through 2016.

13 (d) For the 2009–10 to 2014–15 fiscal years, inclusive,  
14 community college districts that elect to use funding in the manner  
15 authorized pursuant to subdivision (a) shall be deemed to be in  
16 compliance with the program and funding requirements contained  
17 in statutory, regulatory, and provisional language, associated with  
18 the programs enumerated in subdivision (a).

19 SEC. 73. Section 84321.6 of the Education Code is amended  
20 to read:

21 84321.6. (a) Notwithstanding any other law that governs the  
22 regulations adopted by the Chancellor of the California Community  
23 Colleges to disburse funds, the payment of apportionments to  
24 community college districts pursuant to Sections 84320 and 84321  
25 shall be adjusted by the following:

26 (1) For the month of January, one hundred twenty-six million  
27 ninety-four thousand dollars (\$126,094,000) shall be deferred to  
28 July.

29 (2) For the month of February, one hundred thirty-five million  
30 dollars (\$135,000,000) shall be deferred to July.

31 (3) For the month of March, one hundred thirty-five million  
32 dollars (\$135,000,000) shall be deferred to July.

33 (4) For the month of April, one hundred thirty-five million  
34 dollars (\$135,000,000) shall be deferred to July.

35 (5) For the month of May, one hundred thirty-five million dollars  
36 (\$135,000,000) shall be deferred to July.

37 (6) For the month of June, one hundred thirty-five million dollars  
38 (\$135,000,000) shall be deferred to July.

39 (b) In satisfaction of the moneys deferred pursuant to subdivision  
40 (a), the sum of eight hundred one million ninety-four thousand

1 dollars (\$801,094,000) is hereby appropriated in July of the  
2 2013–14 fiscal year from the General Fund to the Board of  
3 Governors of the California Community Colleges for  
4 apportionments to community college districts, for expenditure  
5 during the 2013–14 fiscal year, to be expended in accordance with  
6 Schedule (1) of Item 6870-101-0001 of Section 2.00 of the Budget  
7 Act of 2012.

8 (c) For purposes of making the computations required by Section  
9 8 of Article XVI of the California Constitution, one hundred  
10 seventy-eight million six hundred thirty-eight thousand dollars  
11 (\$178,638,000) of the appropriations made by subdivision (b) shall  
12 be deemed to be “General Fund revenues appropriated for  
13 community college districts,” as defined in subdivision (d) of  
14 Section 41202, for the 2012–13 fiscal year, and included within  
15 the “total allocations to school districts and community college  
16 districts from General Fund proceeds of taxes appropriated pursuant  
17 to Article XIII B,” as defined in subdivision (e) of Section 41202,  
18 for the 2012–13 fiscal year.

19 (d) For purposes of making the computations required by Section  
20 8 of Article XVI of the California Constitution, six hundred  
21 twenty-two million four hundred fifty-six thousand dollars  
22 (\$622,456,000) of the appropriations made by subdivision (b) shall  
23 be deemed to be “General Fund revenues appropriated for  
24 community college districts,” as defined in subdivision (d) of  
25 Section 41202, for the 2013–14 fiscal year, and included within  
26 the “total allocations to school districts and community college  
27 districts from General Fund proceeds of taxes appropriated pursuant  
28 to Article XIII B,” as defined in subdivision (e) of Section 41202,  
29 for the 2013–14 fiscal year.

30 (e) This section shall not become operative until December 15,  
31 2012, shall become inoperative on December 15, 2013, and shall  
32 be repealed on January 1, 2014.

33 SEC. 74. Section 84321.6 is added to the Education Code, to  
34 read:

35 84321.6. (a) Notwithstanding any other law that governs the  
36 regulations adopted by the Chancellor of the California Community  
37 Colleges to disburse funds, the payment of apportionments to  
38 community college districts pursuant to Sections 84320 and 84321  
39 shall be adjusted by the following:

1 (1) For the month of February, fifty-five million two hundred  
2 thirty-three thousand dollars (\$55,233,000) shall be deferred to  
3 July.

4 (2) For the month of March, one hundred thirty-five million  
5 dollars (\$135,000,000) shall be deferred to July.

6 (3) For the month of April, one hundred thirty-five million  
7 dollars (\$135,000,000) shall be deferred to July.

8 (4) For the month of May, one hundred thirty-five million dollars  
9 (\$135,000,000) shall be deferred to July.

10 (5) For the month of June, one hundred thirty-five million dollars  
11 (\$135,000,000) shall be deferred to July.

12 (b) In satisfaction of the moneys deferred pursuant to subdivision  
13 (a), the sum of five hundred ninety-one million two hundred  
14 thirty-three thousand dollars (\$591,233,000) is hereby appropriated  
15 in July of the 2014–15 fiscal year from the General Fund to the  
16 Board of Governors of the California Community Colleges for  
17 apportionments to community college districts, for expenditure  
18 during the 2014–15 fiscal year, to be expended in accordance with  
19 Schedule (1) of Item 6870-101-0001 of Section 2.00 of the Budget  
20 Act of 2013.

21 (c) For purposes of making the computations required by Section  
22 8 of Article XVI of the California Constitution, the appropriations  
23 made by subdivision (b) shall be deemed to be “General Fund  
24 revenues appropriated for community college districts,” as defined  
25 in subdivision (d) of Section 41202, for the 2014–15 fiscal year,  
26 and included within the “total allocations to school districts and  
27 community college districts from General Fund proceeds of taxes  
28 appropriated pursuant to Article XIII B,” as defined in subdivision  
29 (e) of Section 41202, for the 2014–15 fiscal year.

30 (d) This section shall become operative on December 15, 2013.

31 (e) This section shall remain in effect only until January 1, 2015,  
32 and as of that date is repealed, unless a later enacted statute, that  
33 is enacted before January 1, 2015, deletes or extends that date.

34 SEC. 75. Article 7 (commencing with Section 84381) of  
35 Chapter 3 of Part 50 of Division 7 of Title 3 of the Education Code  
36 is repealed.

37 SEC. 76. Article 3 (commencing with Section 84830) is added  
38 to Chapter 5 of Part 50 of Division 7 of Title 3 of the Education  
39 Code, to read:

Article 3. Adult Education Consortium Program

84830. (a) The Chancellor of the California Community Colleges and the State Department of Education shall, pursuant to funding made available in the annual Budget Act, jointly provide two-year planning and implementation grants to regional consortia of community college districts and school districts for the purpose of developing regional plans to better serve the educational needs of adults.

(1) Eligibility shall be limited to consortiums consisting of at least one community college district and at least one school district within the boundaries of the community college district, either of which may serve as the consortium's fiscal agent, as determined by the applicant consortium.

(2) If a community college district chooses not to participate in a consortium, a neighboring community college district may form a consortium with school districts within the boundaries of the nonparticipating community college district.

(3) Consortia may include other entities providing adult education courses, including, but not necessarily limited to, correctional facilities, other local public entities, and community-based organizations.

(b) Grant funds provided pursuant to this section shall be used by each regional consortium to create and implement a plan to better provide adults in its region with all of the following:

(1) Elementary and secondary basic skills, including classes required for a high school diploma or high school equivalency certificate.

(2) Classes and courses for immigrants eligible for educational services in citizenship and English as a second language, and workforce preparation classes in basic skills.

(3) Education programs for adults with disabilities.

(4) Short-term career technical education programs with high employment potential.

(5) Programs for apprentices.

(c) Each regional consortium's plan shall include, at a minimum:

(1) An evaluation of current levels and types of adult education programs within its region, including education for adults in correctional facilities; credit, noncredit, and enhanced noncredit adult education coursework; and programs funded through Title

1 II of the federal Workforce Investment Act, known as the Adult  
2 Education and Family Literacy Act (Public Law 105-220).

3 (2) An evaluation of current needs for adult education programs  
4 within its region.

5 (3) Plans for parties that make up the consortium to integrate  
6 their existing programs and create seamless transitions into  
7 postsecondary education or the workforce.

8 (4) Plans to address the gaps identified pursuant to paragraphs  
9 (1) and (2).

10 (5) Plans to employ approaches proven to accelerate a student's  
11 progress toward his or her academic or career goals, such as  
12 contextualized basic skills and career technical education, and  
13 other joint programming strategies between adult education and  
14 career technical education.

15 (6) Plans to collaborate in the provision of ongoing professional  
16 development opportunities for faculty and other staff to help them  
17 achieve greater program integration and improve student outcomes.

18 (7) Plans to leverage existing regional structures, including, but  
19 not necessarily limited to, local workforce investment areas.

20 (d) The Chancellor of the California Community Colleges and  
21 the State Department of Education may identify additional elements  
22 that consortia must include in a plan.

23 (e) (1) On or before March 1, 2014, the Chancellor of the  
24 California Community Colleges and the State Department of  
25 Education shall submit a joint report to the Legislature and the  
26 Governor. This report shall include, but not necessarily be limited  
27 to, all of the following:

28 (A) The status of developing regional consortia across the state,  
29 including identification of unserved geographic areas or emerging  
30 gaps in regional program delivery.

31 (B) The status and allocation of grant awards made to the  
32 regional consortia.

33 (2) The report shall be submitted to the Legislature as provided  
34 in Section 9795 of the Government Code.

35 (f) (1) On or before March 1, 2015, the Chancellor of the  
36 California Community Colleges and the State Department of  
37 Education shall submit a joint report to the Legislature and the  
38 Governor. This report shall include, but is not limited to, all of the  
39 following:

1 (A) The plans developed by the regional consortia across the  
2 state.

3 (B) Recommendations for additional improvements in the  
4 delivery system serving adult learners.

5 (2) The report shall be submitted to the Legislature as provided  
6 in Section 9795 of the Government Code.

7 (g) It is the intent of the legislature to work toward developing  
8 common policies related to adult education affecting adult schools  
9 at local educational agencies and community colleges, including  
10 policies on fees and funding levels.

11 (h) It is the intent of the Legislature to provide additional  
12 funding in the 2015–16 fiscal year to the regional consortia to  
13 expand and improve the provision of adult education.

14 SEC. 77. Section 17581.5 of the Government Code is amended  
15 to read:

16 17581.5. (a) A school district or community college district  
17 shall not be required to implement or give effect to the statutes, or  
18 a portion of the statutes, identified in subdivision (c) during any  
19 fiscal year and for the period immediately following that fiscal  
20 year for which the Budget Act has not been enacted for the  
21 subsequent fiscal year if all of the following apply:

22 (1) The statute or a portion of the statute, has been determined  
23 by the Legislature, the commission, or any court to mandate a new  
24 program or higher level of service requiring reimbursement of  
25 school districts or community college districts pursuant to Section  
26 6 of Article XIII B of the California Constitution.

27 (2) The statute, or a portion of the statute, or the test claim  
28 number utilized by the commission, specifically has been identified  
29 by the Legislature in the Budget Act for the fiscal year as being  
30 one for which reimbursement is not provided for that fiscal year.  
31 For purposes of this paragraph, a mandate shall be considered  
32 specifically to have been identified by the Legislature only if it  
33 has been included within the schedule of reimbursable mandates  
34 shown in the Budget Act and it specifically is identified in the  
35 language of a provision of the item providing the appropriation  
36 for mandate reimbursements.

37 (b) Within 30 days after enactment of the Budget Act, the  
38 Department of Finance shall notify school districts of any statute  
39 or executive order, or portion thereof, for which reimbursement  
40 is not provided for the fiscal year pursuant to this section.



1 (c) This section applies only to the following mandates:

2 (1) School Bus Safety I (CSM-4433) and II (97-TC-22) (Chapter  
3 642 of the Statutes of 1992; Chapter 831 of the Statutes of 1994;  
4 and Chapter 739 of the Statutes of 1997).

5 (2) County Treasury Withdrawals (96-365-03; and Chapter 784  
6 of the Statutes of 1995 and Chapter 156 of the Statutes of 1996).

7 (3) Grand Jury Proceedings (98-TC-27; and Chapter 1170 of  
8 the Statutes of 1996, Chapter 443 of the Statutes of 1997, and  
9 Chapter 230 of the Statutes of 1998).

10 (4) Law Enforcement Sexual Harassment Training (97-TC-07;  
11 and Chapter 126 of the Statutes of 1993).

12 (5) Health Benefits for Survivors of Peace Officers and  
13 Firefighters (Chapter 1120 of the Statutes of 1996 and 97-TC-25).

14 (6) Removal of Chemicals (Chapter 1107 of the Statutes of 1984  
15 and CSM 4211 and 4298).

16 (7) Scoliosis Screening (Chapter 1347 of the Statutes of 1980  
17 and CSM 4195).

18 (8) Pupil Residency Verification and Appeals (Chapter 309 of  
19 the Statutes of 1995 and 96-384-01).

20 (9) Integrated Waste Management (Chapter 1116 of the Statutes  
21 of 1992 and 00-TC-07).

22 (10) Law Enforcement Jurisdiction Agreements (Chapter 284  
23 of the Statutes of 1998 and 98-TC-20).

24 (11) Physical Education Reports (Chapter 640 of the Statutes  
25 of 1997 and 98-TC-08).

26 (12) Sexual Assault Response Procedures (Chapter 423 of the  
27 Statutes of 1990 and 99-TC-12).

28 (13) Student Records (Chapter 593 of the Statutes of 1989 and  
29 02-TC-34).

30 (14) Absentee Ballots (Chapter 77 of the Statutes of 1978 and  
31 CSM-3713).

32 (15) Brendon Maguire Act (Chapter 391 of the Statutes of 1988  
33 and CSM-4357).

34 (16) Mandate Reimbursement Process I and II (Chapter 486 of  
35 the Statutes of 1975; Chapter 890 of the Statutes of 2004;  
36 CSM-4204; CSM-4485; and 05-TC-05).

37 (17) Sex Offenders: Disclosure by Law Enforcement Officers  
38 (Chapters 908 and 909 of the Statutes of 1996; and 97-TC-15).

39 SEC. 78. Section 17581.6 of the Government Code is amended  
40 to read:

1 17581.6. (a) Funding apportioned pursuant to this section shall  
2 constitute reimbursement pursuant to Section 6 of Article XIII B  
3 of the California Constitution for the performance of any state  
4 mandates included in the statutes and executive orders identified  
5 in subdivision (e).

6 (b) Any school district, county office of education, or charter  
7 school may elect to receive block grant funding pursuant to this  
8 section.

9 (c) (1) A school district, county office of education, or charter  
10 school that elects to receive block grant funding pursuant to this  
11 section in a given fiscal year shall submit a letter requesting  
12 funding to the Superintendent of Public Instruction on or before  
13 August 30 of that fiscal year.

14 (2) The Superintendent of Public Instruction shall, in the month  
15 of November of each year, apportion block grant funding  
16 appropriated pursuant to Item 6110-296-0001 of Section 2.00 of  
17 the annual Budget Act to all school districts, county offices of  
18 education, and charter schools that submitted letters requesting  
19 funding in that fiscal year according to the provisions of that item.

20 (3) A school district or county office of education that receives  
21 block grant funding pursuant to this section shall not be eligible  
22 to submit claims to the Controller for reimbursement pursuant to  
23 Section 17560 for any costs of any state mandates included in the  
24 statutes and executive orders identified in subdivision (e) incurred  
25 in the same fiscal year during which the school district or county  
26 office of education received funding pursuant to this section.

27 (d) Block grant funding apportioned pursuant to this section is  
28 subject to annual financial and compliance audits required by  
29 Section 41020 of the Education Code.

30 (e) Block grant funding apportioned pursuant to this section is  
31 specifically intended to fund the costs of the following programs  
32 and activities:

33 (1) Academic Performance Index (01-TC-22; Chapter 3 of the  
34 Statutes of 1999, First Extraordinary Session; and Chapter 695 of  
35 the Statutes of 2000).

36 (2) Agency Fee Arrangements (00-TC-17 and 01-TC-14;  
37 Chapter 893 of the Statutes of 2000 and Chapter 805 of the Statutes  
38 of 2001).

1 (3) AIDS Instruction and AIDS Prevention Instruction (CSM  
2 4422, 99-TC-07, and 00-TC-01; Chapter 818 of the Statutes of  
3 1991; and Chapter 403 of the Statutes of 1998).

4 (4) California State Teachers' Retirement System Service Credit  
5 (02-TC-19; Chapter 603 of the Statutes of 1994; Chapters 383,  
6 634, and 680 of the Statutes of 1996; Chapter 838 of the Statutes  
7 of 1997; Chapter 965 of the Statutes of 1998; Chapter 939 of the  
8 Statutes of 1999; and Chapter 1021 of the Statutes of 2000).

9 (5) Caregiver Affidavits (CSM 4497; Chapter 98 of the Statutes  
10 of 1994).

11 (6) Charter Schools I, II, and III (CSM 4437, 99-TC-03, and  
12 99-TC-14; Chapter 781 of the Statutes of 1992; Chapters 34 and  
13 673 of the Statutes of 1998; Chapter 34 of the Statutes of 1998;  
14 and Chapter 78 of the Statutes of 1999).

15 (7) Child Abuse and Neglect Reporting (01-TC-21: Chapters  
16 640 and 1459 of the Statutes of 1987; Chapter 132 of the Statutes  
17 of 1991; Chapter 459 of the Statutes of 1992; Chapter 311 of the  
18 Statutes of 1998; Chapter 916 of the Statutes of 2000; and Chapters  
19 133 and 754 of the Statutes of 2001).

20 (8) Collective Bargaining (CSM 4425; Chapter 961 of the  
21 Statutes of 1975).

22 (9) Comprehensive School Safety Plans (98-TC-01 and  
23 99-TC-10; Chapter 736 of the Statutes of 1997; Chapter 996 of  
24 the Statutes of 1999; and Chapter 828 of the Statutes of 2003).

25 (10) Consolidation of Annual Parent Notification/Schoolsite  
26 Discipline Rules/Alternative Schools (CSM 4488, CSM 4461,  
27 99-TC-09, 00-TC-12, 97-TC-24, CSM 4453, CSM 4474, CSM  
28 4462; Chapter 448 of the Statutes of 1975; Chapter 965 of the  
29 Statutes of 1977; Chapter 975 of the Statutes of 1980; Chapter 469  
30 of the Statutes of 1981; Chapter 459 of the Statutes of 1985;  
31 Chapters 87 and 97 of the Statutes of 1986; Chapter 1452 of the  
32 Statutes of 1987; Chapters 65 and 1284 of the Statutes of 1988;  
33 Chapter 213 of the Statutes of 1989; Chapters 10 and 403 of the  
34 Statutes of 1990; Chapter 906 of the Statutes of 1992; Chapter  
35 1296 of the Statutes of 1993; Chapter 929 of the Statutes of 1997;  
36 Chapters 846 and 1031 of the Statutes of 1998; Chapter 1 of the  
37 Statutes of 1999, First Extraordinary Session; Chapter 73 of the  
38 Statutes of 2000; Chapter 650 of the Statutes of 2003; Chapter 895  
39 of the Statutes of 2004; and Chapter 677 of the Statutes of 2005).

1 (11) Consolidation of Law Enforcement Agency Notification  
2 and Missing Children Reports (CSM 4505; Chapter 1117 of the  
3 Statutes of 1989 and 01-TC-09; Chapter 249 of the Statutes of  
4 1986; and Chapter 832 of the Statutes of 1999).

5 (12) Consolidation of Notification to Teachers: Pupils Subject  
6 to Suspension or Expulsion I and II, and Pupil Discipline Records  
7 (00-TC-10 and 00-TC-11; Chapter 345 of the Statutes of 2000).

8 (13) County Office of Education Fiscal Accountability Reporting  
9 (97-TC-20; Chapters 917 and 1452 of the Statutes of 1987;  
10 Chapters 1461 and 1462 of the Statutes of 1988; Chapter 1372 of  
11 the Statutes of 1990; Chapter 1213 of the Statutes of 1991; Chapter  
12 323 of the Statutes of 1992; Chapters 923 and 924 of the Statutes  
13 of 1993; Chapters 650 and 1002 of the Statutes of 1994; and  
14 Chapter 525 of the Statutes of 1995).

15 (14) Criminal Background Checks (97-TC-16; Chapters 588  
16 and 589 of the Statutes of 1997).

17 (15) Criminal Background Checks II (00-TC-05; Chapters 594  
18 and 840 of the Statutes of 1998; and Chapter 78 of the Statutes of  
19 1999).

20 (16) Differential Pay and Reemployment (99-TC-02; Chapter  
21 30 of the Statutes of 1998).

22 (17) Expulsion of Pupil: Transcript Cost for Appeals (SMAS;  
23 Chapter 1253 of the Statutes of 1975).

24 (18) Financial and Compliance Audits (CSM 4498 and CSM  
25 4498-A; Chapter 36 of the Statutes of 1977).

26 (19) Graduation Requirements (CSM 4181; Chapter 498 of the  
27 Statutes of 1983).

28 (20) Habitual Truants (CSM 4487 and CSM 4487-A; Chapter  
29 1184 of the Statutes of 1975).

30 (21) High School Exit Examination (00-TC-06; Chapter 1 of  
31 the Statutes of 1999, First Extraordinary Session; and Chapter 135  
32 of the Statutes of 1999).

33 (22) Immunization Records (SB 90-120; Chapter 1176 of the  
34 Statutes of 1977).

35 (23) Immunization Records—Hepatitis B (98-TC-05; Chapter  
36 325 of the Statutes of 1978; Chapter 435 of the Statutes of 1979;  
37 Chapter 472 of the Statutes of 1982; Chapter 984 of the Statutes  
38 of 1991; Chapter 1300 of the Statutes of 1992; Chapter 1172 of  
39 the Statutes of 1994; Chapters 291 and 415 of the Statutes of 1995;

Chapter 1023 of the Statutes of 1996; and Chapters 855 and 882 of the Statutes of 1997).

(24) Interdistrict Attendance Permits (CSM 4442; Chapters 172 and 742 of the Statutes of 1986; Chapter 853 of the Statutes of 1989; Chapter 10 of the Statutes of 1990; and Chapter 120 of the Statutes of 1992).

(25) Intradistrict Attendance (CSM 4454; Chapters 161 and 915 of the Statutes of 1993).

(26) Juvenile Court Notices II (CSM 4475; Chapters 1011 and 1423 of the Statutes of 1984; Chapter 1019 of the Statutes of 1994; and Chapter 71 of the Statutes of 1995).

(27) Notification of Truancy (CSM 4133; Chapter 498 of the Statutes of 1983; Chapter 1023 of the Statutes of 1994; and Chapter 19 of the Statutes of 1995).

(28) Physical Performance Tests (96-365-01; Chapter 975 of the Statutes of 1995).

(29) Prevailing Wage Rate (01-TC-28; Chapter 1249 of the Statutes of 1978).

(30) Pupil Health Screenings (CSM 4440; Chapter 1208 of the Statutes of 1976; Chapter 373 of the Statutes of 1991; and Chapter 750 of the Statutes of 1992).

(31) Pupil Promotion and Retention (98-TC-19; Chapter 100 of the Statutes of 1981; Chapter 1388 of the Statutes of 1982; Chapter 498 of the Statutes of 1983; Chapter 1263 of the Statutes of 1990; and Chapters 742 and 743 of the Statutes of 1998).

(32) Pupil Safety Notices (02-TC-13; Chapter 498 of the Statutes of 1983; Chapter 482 of the Statutes of 1984; Chapter 948 of the Statutes of 1984; Chapter 196 of the Statutes of 1986; Chapter 332 of the Statutes of 1986; Chapter 445 of the Statutes of 1992; Chapter 1317 of the Statutes of 1992; Chapter 589 of the Statutes of 1993; Chapter 1172 of the Statutes of 1994; Chapter 1023 of the Statutes of 1996; and Chapter 492 of the Statutes of 2000).

(33) Pupil Expulsions (CSM 4455; Chapter 1253 of the Statutes of 1975; Chapter 965 of the Statutes of 1977; Chapter 668 of the Statutes of 1978; Chapter 318 of the Statutes of 1982; Chapter 498 of the Statutes of 1983; Chapter 622 of the Statutes of 1984; Chapter 942 of the Statutes of 1987; Chapter 1231 of the Statutes of 1990; Chapter 152 of the Statutes of 1992; Chapters 1255, 1256, and 1257 of the Statutes of 1993; and Chapter 146 of the Statutes of 1994).

1 (34) Pupil Expulsion Appeals (CSM 4463; Chapter 1253 of the  
2 Statutes of 1975; Chapter 965 of the Statutes of 1977; Chapter 668  
3 of the Statutes of 1978; and Chapter 498 of the Statutes of 1983).

4 (35) Pupil Suspensions (CSM 4456; Chapter 965 of the Statutes  
5 of 1977; Chapter 668 of the Statutes of 1978; Chapter 73 of the  
6 Statutes of 1980; Chapter 498 of the Statutes of 1983; Chapter 856  
7 of the Statutes of 1985; and Chapter 134 of the Statutes of 1987).

8 (36) School Accountability Report Cards (97-TC-21, 00-TC-09,  
9 00-TC-13, and 02-TC-32; Chapter 918 of the Statutes of 1997;  
10 Chapter 912 of the Statutes of 1997; Chapter 824 of the Statutes  
11 of 1994; Chapter 1031 of the Statutes of 1993; Chapter 759 of the  
12 Statutes of 1992; and Chapter 1463 of the Statutes of 1989).

13 (37) School District Fiscal Accountability Reporting (97-TC-19;  
14 Chapter 100 of the Statutes of 1981; Chapter 185 of the Statutes  
15 of 1985; Chapter 1150 of the Statutes of 1986; Chapters 917 and  
16 1452 of the Statutes of 1987; Chapters 1461 and 1462 of the  
17 Statutes of 1988; Chapter 525 of the Statutes of 1990; Chapter  
18 1213 of the Statutes of 1991; Chapter 323 of the Statutes of 1992;  
19 Chapters 923 and 924 of the Statutes of 1993; Chapters 650 and  
20 1002 of the Statutes of 1994; and Chapter 525 of the Statutes of  
21 1995).

22 (38) School District Reorganization (98-TC-24; Chapter 1192  
23 of the Statutes of 1980; and Chapter 1186 of the Statutes of 1994).

24 (39) Student Records (02-TC-34; Chapter 593 of the Statutes  
25 of 1989; Chapter 561 of the Statutes of 1993; Chapter 311 of the  
26 Statutes of 1998; and Chapter 67 of the Statutes of 2000).

27 (40) The Stull Act (98-TC-25; Chapter 498 of the Statutes of  
28 1983; and Chapter 4 of the Statutes of 1999).

29 (41) Threats Against Peace Officers (CSM 96-365-02; Chapter  
30 1249 of the Statutes of 1992; and Chapter 666 of the Statutes of  
31 1995).

32 (42) Pupil Expulsions II, Pupil Suspensions II, and Educational  
33 Services Plan for Expelled Pupils (96-358-03, 03A, 98-TC-22,  
34 01-TC-18, 98-TC-23, 97-TC-09; Chapters 972 and 974 of the  
35 Statutes of 1995; Chapters 915, 937, and 1052 of the Statutes of  
36 1996; Chapter 637 of the Statutes of 1997; Chapter 498 of the  
37 Statutes of 1998; Chapter 332 of the Statutes of 1999; Chapter 147  
38 of the Statutes of 2000; and Chapter 116 of the Statutes of 2001).

39 (f) Notwithstanding Section 10231.5, on or before November  
40 1 of each fiscal year, the Superintendent of Public Instruction shall

1 produce a report that indicates the total amount of block grant  
2 funding each school district, county office of education, and charter  
3 school received in that fiscal year pursuant to this section. The  
4 Superintendent of Public Instruction shall provide this report to  
5 the appropriate fiscal and policy committees of the Legislature,  
6 the Controller, the Department of Finance, and the Legislative  
7 Analyst's Office.

8 SEC. 79. Section 17581.7 of the Government Code is amended  
9 to read:

10 17581.7. (a) Funding apportioned pursuant to this section shall  
11 constitute reimbursement pursuant to Section 6 of Article XIII B  
12 of the California Constitution for the performance of any state  
13 mandates included in the statutes and executive orders identified  
14 in subdivision (e).

15 (b) Any community college district may elect to receive block  
16 grant funding pursuant to this section.

17 (c) (1) A community college district that elects to receive block  
18 grant funding pursuant to this section in a given fiscal year shall  
19 submit a letter requesting funding to the Chancellor of the  
20 California Community Colleges on or before August 30 of that  
21 fiscal year.

22 (2) The Chancellor of the California Community Colleges shall  
23 apportion, in the month of November of each year, block grant  
24 funding appropriated in Item 6870-296-0001 of Section 2.00 of  
25 the annual Budget Act to all community college districts that  
26 submitted letters requesting funding in that fiscal year according  
27 to the provisions of that item.

28 (3) A community college district that receives block grant  
29 funding pursuant to this section shall not be eligible to submit  
30 claims to the Controller for reimbursement pursuant to Section  
31 17560 for any costs of any state mandates included in the statutes  
32 and executive orders identified in subdivision (e) incurred in the  
33 same fiscal year during which the community college district  
34 received funding pursuant to this section.

35 (d) All funding apportioned pursuant to this section is subject  
36 to annual financial and compliance audits required by Section  
37 84040 of the Education Code.

38 (e) Block grant funding apportioned pursuant to this section is  
39 specifically intended to fund the costs of the following programs:

- 1 (1) Agency Fee Arrangements (00-TC-17 and 01-TC-14;  
2 Chapter 893 of the Statutes of 2000; and Chapter 805 of the  
3 Statutes of 2001).
- 4 (2) Cal Grants (02-TC-28; Chapter 403 of the Statutes of 2000).
- 5 (3) California State Teachers Retirement System Service Credit  
6 (02-TC-19; Chapter 603 of the Statutes of 1994; Chapters 383,  
7 634, and 680 of the Statutes of 1996; Chapter 838 of the Statutes  
8 of 1997; Chapter 965 of the Statutes of 1998; Chapter 939 of the  
9 Statutes of 1999; and Chapter 1021 of the Statutes of 2000).
- 10 (4) Collective Bargaining (CSM 4425 and 97-TC-08; Chapter  
11 961 of the Statutes of 1975).
- 12 (5) Community College Construction (02-TC-47; Chapter 910  
13 of the Statutes of 1980; Chapters 470 and 891 of the Statutes of  
14 1981; Chapter 973 of the Statutes of 1988; Chapter 1372 of the  
15 Statutes of 1990; Chapter 1038 of the Statutes of 1991; and Chapter  
16 758 of the Statutes of 1995).
- 17 (6) Discrimination Complaint Procedures (02-TC-42 and  
18 portions of 02-TC-25 and 02-TC-31; Chapter 1010 of the Statutes  
19 of 1976; Chapter 470 of the Statutes of 1981; Chapter 1117 of the  
20 Statutes of 1982; Chapter 143 of the Statutes of 1983; Chapter  
21 1371 of the Statutes of 1984; Chapter 973 of the Statutes of 1988;  
22 Chapter 1372 of the Statutes of 1990; Chapter 1198 of the Statutes  
23 of 1991; Chapter 914 of the Statutes of 1998; Chapter 587 of the  
24 Statutes of 1999; and Chapter 1169 of the Statutes of 2002).
- 25 (7) Enrollment Fee Collection and Waivers (99-TC-13 and  
26 00-TC-15).
- 27 (8) Health Fee Elimination (CSM 4206; Chapter 1 of the Statutes  
28 of 1984, Second Extraordinary Session).
- 29 (9) Minimum Conditions for State Aid (02-TC-25 and 02-TC-31;  
30 Chapter 802 of the Statutes of 1975; Chapters 275, 783, 1010, and  
31 1176 of the Statutes of 1976; Chapters 36 and 967 of the Statutes  
32 of 1977; Chapters 797 and 977 of the Statutes of 1979; Chapter  
33 910 of the Statutes of 1980; Chapters 470 and 891 of the Statutes  
34 of 1981; Chapters 1117 and 1329 of the Statutes of 1982; Chapters  
35 143 and 537 of the Statutes of 1983; Chapter 1371 of the Statutes  
36 of 1984; Chapter 1467 of the Statutes of 1986; Chapters 973 and  
37 1514 of the Statutes of 1988; Chapters 1372 and 1667 of the  
38 Statutes of 1990; Chapters 1038, 1188, and 1198 of the Statutes  
39 of 1991; Chapters 493 and 758 of the Statutes of 1995; Chapters  
40 365, 914, and 1023 of the Statutes of 1998; Chapter 587 of the



1 Statutes of 1999; Chapter 187 of the Statutes of 2000; and Chapter  
2 1169 of the Statutes of 2002).

3 (10) Prevailing Wage Rate (01-TC-28; Chapter 1249 of the  
4 Statutes of 1978).

5 (11) Reporting Improper Governmental Activities (02-TC-24;  
6 Chapter 416 of the Statutes of 2001; and Chapter 81 of the Statutes  
7 of 2002).

8 (12) Threats Against Peace Officers (CSM 96-365-02; Chapter  
9 1249 of the Statutes of 1992; and Chapter 666 of the Statutes of  
10 1995).

11 (13) Tuition Fee Waivers (02-TC-21; Chapter 36 of the Statutes  
12 of 1977; Chapter 580 of the Statutes of 1980; Chapter 102 of the  
13 Statutes of 1981; Chapter 1070 of the Statutes of 1982; Chapter  
14 753 of the Statutes of 1988; Chapters 424, 900, and 985 of the  
15 Statutes 1989; Chapter 1372 of the Statutes of 1990; Chapter 455  
16 of the Statutes of 1991; Chapter 8 of the Statutes of 1993; Chapter  
17 389 of the Statutes of 1995; Chapter 438 of the Statutes of 1997;  
18 Chapter 952 of the Statutes of 1998; Chapters 571 and 949 of the  
19 Statutes of 2000; Chapter 814 of the Statutes of 2001; and Chapter  
20 450 of the Statutes of 2002).

21 (f) Notwithstanding Section 10231.5, on or before November  
22 1 of each fiscal year, the Chancellor of the California Community  
23 Colleges shall produce a report that indicates the total amount of  
24 block grant funding each community college district received in  
25 the current fiscal year pursuant to this section. The chancellor shall  
26 provide this report to the appropriate fiscal and policy committees  
27 of the Legislature, the Controller, the Department of Finance, and  
28 the Legislative Analyst's Office.

29 SEC. 80. Section 63049.67 of the Government Code is amended  
30 to read:

31 63049.67. (a) Notwithstanding any other provision of this  
32 division, a financing of emergency apportionments upon the request  
33 of a school district pursuant to Article 2.7 (commencing with  
34 Section 41329.50) of Chapter 3 of Part 24 of Division 3 of Title  
35 2 of the Education Code, is deemed to be in the public interest and  
36 eligible for financing by the bank. Article 3 (commencing with  
37 Section 63040), Article 4 (commencing with Section 63042), and  
38 Article 5 (commencing with Section 63043) do not apply to the  
39 financing provided by the bank in connection with an emergency  
40 apportionment.

(b) The bank may issue bonds pursuant to Chapter 5 (commencing with Section 63070) and provide the proceeds to a school district pursuant to a lease agreement. The proceeds may be used as an emergency apportionment, to reimburse the interim emergency apportionment from the General Fund authorized pursuant to subdivision (b) of Section 41329.52 of the Education Code, or to refund bonds previously issued under this section. Bond proceeds may also be used to fund necessary reserves, capitalized interest, credit enhancement costs, and costs of issuance.

(c) Bonds issued under this article are not deemed to constitute a debt or liability of the state or of any political subdivision of the state, other than a limited obligation of the bank, or a pledge of the faith and credit of the state or of any political subdivision. All bonds issued under this article shall contain on the face of the bonds a statement to the same effect.

(d) Any fund or account established in connection with the bonds shall be established outside of the centralized treasury system. Notwithstanding any other law, the bank shall select the financing team and the trustee for the bonds, and the trustee shall be a corporation or banking association authorized to exercise corporate trust powers.

(e) Pursuant to Section 41329.55 of the Education Code, a school district other than the Compton Community College District shall instruct the Controller to repay the lease from moneys in the State School Fund and the Education Protection Account designated for apportionment to the school district. Pursuant to Section 41329.55 of the Education Code, if the school district is the Compton Community College District, the Controller shall be instructed to repay the lease from moneys in Section B of the State School Fund. Any amounts necessary to make this repayment shall be drawn from the total statewide funding available for community college apportionment consisting of funds in Section B of the State School Fund. Thereafter the Controller shall transfer to Section B of the State School Fund, either in a single or multiple transfers, an amount equal to the total repayment, which amount shall be transferred from the amount designated for apportionment to the Compton Community College District from the State School Fund. If these transfers from the district prove inadequate to repay any repayments for any reason, the Compton Community College

1 District is required to use any revenue sources available to it for  
2 transfer and repayment purposes.

3 (f) Notwithstanding any other law, as long as any bonds issued  
4 pursuant to this section are outstanding, the following requirements  
5 apply:

6 (1) The school district for which the bonds were issued is not  
7 eligible to be a debtor in a case under Chapter 9 of the United  
8 States Bankruptcy Code, as it may be amended from time to time,  
9 and no governmental officer or organization is or may be  
10 empowered to authorize the school district to be a debtor under  
11 that chapter.

12 (2) It is the intent of the Legislature that the Legislature should  
13 not in the future abolish the Compton Community College District  
14 or take any action that would prevent the Compton Community  
15 College from entering into or performing binding agreements or  
16 invalidate any prior binding agreements of the Compton  
17 Community College District, where invalidation may have a  
18 material adverse effect on the bonds issued pursuant to this section.

19 (3) The Compton Community College District shall not be  
20 reorganized or merged with another community college district  
21 unless all of the following apply:

22 (A) The successor district becomes by operation of law the  
23 owner of all property previously owned by the Compton  
24 Community College District.

25 (B) Any agreement entered into by the Compton Community  
26 College District in connection with bonds issued pursuant to this  
27 section are assumed by the successor district.

28 (C) The apportionment authorized by subdivision (e) remains  
29 in effect.

30 (D) Receipt by the bank of an opinion of bond counsel that the  
31 bonds issued for the Compton Community College District will  
32 remain tax exempt following the reorganization or merger.

33 (g) Nothing in this section limits the authority of the Legislature  
34 to abolish the Compton Community College District when bonds  
35 issued for that district are no longer outstanding. Further, the  
36 Legislature may provide for the redemption or defeasance of the  
37 bonds at any time so that no bonds are outstanding. If the  
38 Legislature provides for the redemption or defeasance of the bonds  
39 issued for the Compton Community College District in order to  
40 abolish that district, it is the intent of the Legislature that the funds

1 required for the redemption or defeasance should be appropriated  
2 from Section B of the State School Fund.

3 (h) The bank may enter into contracts or agreements with banks,  
4 insurers, or other financial institutions or parties that it determines  
5 are necessary or desirable to improve the security and marketability  
6 of, or to manage interest rates or other risks associated with, the  
7 bonds issued pursuant to this section. The bank may pledge  
8 apportionments made by the Controller directly to the bond trustee  
9 pursuant to Section 41329.55 of the Education Code as security  
10 for repayment of any obligation owed to a bank, insurer, or other  
11 financial institution pursuant to this subdivision.

12 SEC. 81. Section 63049.68 of the Government Code is amended  
13 to read:

14 63049.68. The State of California pledges that (a) the state will  
15 not alter the directive to the Controller to make apportionments to  
16 the bond trustee of moneys in the State School Fund and the  
17 Education Protection Account from that set forth in Section  
18 41329.55 of the Education Code, and (b) the state will not amend  
19 or repeal subdivision (f) of Section 63049.67, in each case in any  
20 manner that would materially impair the security or other interests  
21 of holders of any bonds issued pursuant to this article. The bank  
22 is authorized to include this pledge in the bonds, or other  
23 documents entered into in connection with the bonds, as a covenant  
24 for the benefit of the bondholders.

25 SEC. 82. Section 10 of Chapter 325 of the Statutes of 2012 is  
26 repealed.

27 SEC. 83. (a) Notwithstanding any other law, the Inglewood  
28 Unified School District, through the State Department of Education,  
29 may request cashflow loans from the General Fund for a total of  
30 up to fifty-five million dollars (\$55,000,000) for emergency  
31 operational purposes.

32 (b) Unless otherwise specified in this section, the terms and  
33 conditions of any General Fund cashflow loan provided pursuant  
34 to this section shall be subject to approval by the Director of  
35 Finance and shall be consistent with the terms and conditions of  
36 the General Fund emergency apportionment issued pursuant to  
37 Chapter 325 of the Statutes of 2012. Notwithstanding the interest  
38 rates specified in the terms and conditions of the General Fund  
39 loan issued pursuant to Chapter 325 of the Statutes of 2012, the  
40 interest on these loans shall be charged at the annual rate of return

1 of the Pooled Money Investment Account, plus an additional 2  
2 percent.

3 (c) Once a General Fund cashflow loan is approved pursuant  
4 to this section, and upon the order of the Director of Finance, the  
5 Controller shall draw warrants against General Fund cash to the  
6 Inglewood Unified School District to provide a cashflow loan.

7 (d) Upon approval of a General Fund cashflow loan pursuant  
8 to this section, a repayment schedule shall be determined by the  
9 Department of Finance. If a required payment is not made within  
10 60 days after a scheduled date, upon order of the Department of  
11 Finance, the Controller shall pay the defaulted General Fund  
12 cashflow loan repayment by withholding that amount from the  
13 next available payment that would otherwise be made to the county  
14 treasurer on behalf of the school district pursuant to Section 14041  
15 of the Education Code.

16 (e) The Department of Finance shall notify the Legislature  
17 within 15 days of authorizing a General Fund cashflow loan  
18 pursuant to this section.

19 (f) A cashflow loan from the General Fund authorized by this  
20 section does not constitute budgetary expenditures. A cashflow  
21 loan, and the repayment of a cashflow loan, made under this section  
22 shall not affect the General Fund reserve.

23 (g) Issuance of a General Fund cashflow loan authorized  
24 pursuant to this section shall require the Inglewood Unified School  
25 District to abide by all provisions associated with the issuance of  
26 the emergency loan specified in Chapter 325 of the Statutes of  
27 2012, including those cited in Article 2 (commencing with Section  
28 41320) and Article 2.5 (commencing with Section 41325) of  
29 Chapter 3 of Part 24 of Division 3 of Title 2 of the Education Code.

30 (h) As a condition of requesting a General Fund cashflow loan  
31 pursuant to this section, the Inglewood Unified School District  
32 shall repay the twenty-nine million dollar (\$29,000,000) General  
33 Fund loan issued pursuant to Chapter 325 of the Statutes of 2012  
34 from the proceeds of the school district's initial request for a  
35 General Fund cashflow loan.

36 SEC. 84. Of the amount allocated in Schedule (1) of Item  
37 6110-161-0001 of Section 2.00 of the Budget Act of 2011, eight  
38 million nine hundred fifty-four thousand dollars (\$8,954,000) is  
39 provided to fully fund the 2008–09 fiscal year maintenance of  
40 effort and thirty-six million six hundred sixty-four thousand dollars

1 (\$36,664,000) is provided to fully fund the 2009–10 fiscal year  
2 maintenance of effort in the special education program.

3 SEC. 85. (a) (1) The sum of one billion two hundred fifty  
4 million dollars (\$1,250,000,000) is hereby appropriated from the  
5 General Fund to the Superintendent of Public Instruction for  
6 transfer to Section A of the State School Fund. The sum of six  
7 hundred twenty-five million dollars (\$625,000,000) shall be  
8 transferred in July 2013 and the sum of six hundred twenty-five  
9 million dollars (\$625,000,000) shall be transferred in August 2013.

10 (2) It is the intent of the Legislature that school districts, county  
11 offices of education, charter schools, and the state special schools  
12 use funds allocated pursuant to subdivision (b) to support the  
13 integration of academic content standards in instruction adopted  
14 pursuant to Sections 60605.8, 60605.85, 60605.10, 60605.11, and  
15 60811.3 of the Education Code, for kindergarten and grades 1 to  
16 12, inclusive, for purposes of establishing high-quality instructional  
17 programs for all pupils.

18 (b) The Superintendent of Public Instruction shall apportion  
19 funds to school districts, county offices of education, charter  
20 schools, and the state special schools using an equal rate per pupil  
21 based on prior year enrollment.

22 (c) A school district, county office of education, charter school,  
23 or state special school may encumber funds apportioned pursuant  
24 to this section at any time during the 2013–14 or 2014–15 fiscal  
25 year.

26 (d) A school district, county office of education, charter school,  
27 or state special school shall expend funds allocated pursuant to  
28 this section for any of the following purposes:

29 (1) Professional development for teachers, administrators, and  
30 paraprofessional educators or other classified employees involved  
31 in the direct instruction of pupils that is aligned to the academic  
32 content standards adopted pursuant to Sections 60605.8, 60605.11,  
33 60605.85, and 60811.3 of the Education Code.

34 (2) Instructional materials aligned to the academic content  
35 standards adopted pursuant to Sections 60605.8, 60605.85,  
36 60605.11, and 60811.3 of the Education Code, including, but not  
37 limited to, supplemental instructional materials as provided in  
38 Sections 60605.86, 60605.87, and 60605.88 of the Education Code.

39 (3) Integration of these academic content standards through  
40 technology-based instruction for purposes of improving the

1 academic performance of pupils, including, but not necessarily  
2 limited to, expenditures necessary to support the administration  
3 of computer-based assessments and provide high-speed,  
4 high-bandwidth Internet connectivity for the purpose of  
5 administration of computer-based assessments.

6 (e) As a condition of receiving funds allocated pursuant to this  
7 section, a school district, county office of education, charter school,  
8 or state special school shall do both of the following:

9 (1) Develop and adopt a plan delineating how funds allocated  
10 pursuant to this section shall be spent. The plan shall be explained  
11 in a public meeting of the governing board of the school district,  
12 county board of education, or governing body of the charter school,  
13 before its adoption in a subsequent public meeting.

14 (2) On or before July 1, 2015, report detailed expenditure  
15 information to the State Department of Education, including, but  
16 not limited to, specific purchases made and the number of teachers,  
17 administrators, or paraprofessional educators that received  
18 professional development. The State department of Education shall  
19 determine the format for this report.

20 (f) The State Department of Education shall summarize the  
21 information reported pursuant to paragraph (2) of subdivision (e)  
22 and shall submit the summary to the appropriate budget  
23 subcommittees and policy committees of the Legislature and to  
24 the Department of Finance on or before January 1, 2016.

25 (g) Funding apportioned pursuant to this section is specifically  
26 intended to fund, and shall first be used to offset, the costs of any  
27 new programs or higher levels of service associated with  
28 implementation of the academic content standards adopted by the  
29 State Board of Education pursuant to Sections 60605.8, 60605.85,  
30 60605.10, 60605.11, and 60811.3 of the Education Code, including  
31 those required by this section or Article 3.8 (commencing with  
32 Section 52060) of Chapter 6.1 of Part 28 of Division 4 of Title 2  
33 of the Education Code.

34 (h) Funding apportioned pursuant to this section is subject to  
35 the annual audits required by Section 41020 of the Education Code.

36 (i) For purposes of making the computations required by Section  
37 8 of Article XVI of the California Constitution, of the funds  
38 appropriated by this section:

39 (1) One billion dollars (\$1,000,000,000) shall be deemed to be  
40 “General Fund revenues appropriated for school districts,” as

1 defined in subdivision (c) of Section 41202 of the Education Code,  
2 for the 2012–13 fiscal year, and included within the “total  
3 allocations to school districts and community college districts from  
4 General Fund proceeds of taxes appropriated pursuant to Article  
5 XIII B,” as defined in subdivision (e) of Section 41202 of the  
6 Education Code, for the 2012–13 fiscal year.

7 (2) Two hundred fifty million dollars (\$250,000,000) shall be  
8 deemed to be “General Fund revenues appropriated for school  
9 districts,” as defined in subdivision (c) of Section 41202 of the  
10 Education Code, for the 2013–14 fiscal year, and included within  
11 the “total allocations to school districts and community college  
12 districts from General Fund proceeds of taxes appropriated pursuant  
13 to Article XIII B,” as defined in subdivision (e) of Section 41202  
14 of the Education Code, for the 2013–14 fiscal year.

15 SEC. 86. (a) ~~The sum of two hundred fifty million dollars~~  
16 ~~(\$250,000,000) is hereby appropriated from the General Fund to~~  
17 ~~the Superintendent of Public Instruction for transfer to Section A~~  
18 ~~of the State School Fund~~ *Funding appropriated in Item*  
19 *6110-280-0001 of the Budget Act of 2013 for career technical*  
20 *education shall be allocated for the establishment of the California*  
21 *Career Pathways Trust.*

22 (b) ~~The funds appropriated by this section in Item~~  
23 *6110-280-0001 of the Budget Act of 2013* shall be apportioned to  
24 school districts, county superintendents of schools, charter schools,  
25 and community colleges in the form of one-time competitive grants.  
26 Funds shall be available for expenditure in the 2013–14 fiscal year  
27 to the 2015–16 fiscal year, inclusive.

28 (c) Grants shall be available for K-14 career pathways programs  
29 that accomplish any of the following:

30 (1) Fund specialists in work-based learning, as defined in Section  
31 51760.1 of the Education Code, to convene, connect, measure, or  
32 broker efforts to establish or enhance a locally defined career  
33 pathways program that connects school districts, county  
34 superintendents of schools, charter schools, and community  
35 colleges with business entities.

36 (2) Establish regional collaborative relationships and  
37 partnerships with business entities, community organizations, and  
38 local institutions of postsecondary education.

39 (3) Develop and integrate standards-based academics with a  
40 career-relevant, sequenced curriculum following industry-themed



1 pathways that are aligned to high-need, high-growth, or emerging  
2 regional economic sectors.

3 (4) Provide articulated pathways to postsecondary education  
4 aligned with regional economies.

5 (5) Leverage and build on any of the following:

6 (A) Existing structures, requirements, and resources of the Carl  
7 D. Perkins, California Partnership Academies, and regional  
8 occupational programs, including staff knowledge, community  
9 relationships, and course development.

10 (B) Matching resources and in-kind contributions from public,  
11 private, and philanthropic sources.

12 (C) The California Community Colleges Economic and  
13 Workforce Development Program and its sector strategies and  
14 deputy sector navigators.

15 (D) Participation in the local California Community Colleges  
16 Skills Panel.

17 (d) As a condition of receipt of funds, a grant recipient under  
18 this section shall identify and set aside funding within its own  
19 budget and obtain funding commitments from program partners  
20 sufficient to support the ongoing costs of the program.

21 (e) The Superintendent of Public Instruction shall consult with  
22 the Chancellor of the California Community Colleges and  
23 organizations representing businesses in considering grant  
24 applications under this section.

25 (f) No later than December 1, 2016, grant recipients and the  
26 Superintendent of Public Instruction shall report to the Department  
27 of Finance and to relevant policy and fiscal committees of the  
28 Legislature outcome measures, which shall include, but not  
29 necessarily be limited to, all of the following:

30 (1) Pupil and student academic performance indicators.

31 (2) The number and rate of school or program graduates.

32 (3) Attainment of certificates, transfer readiness, and  
33 postsecondary enrollment.

34 (4) Transitions to appropriate employment, apprenticeships, or  
35 job training.

36 SEC. 87. (a) On or before June 30, 2013, an amount to be  
37 determined by the Director of Finance shall be appropriated from  
38 the General Fund to the Board of Governors of the California  
39 Community Colleges in augmentation of Schedule (1) of Item  
40 6870-101-0001 of Section 2.00 of the Budget Act of 2012.

(b) The funds appropriated in subdivision (a) shall only be available to the extent that revenues distributed to community colleges pursuant to subparagraph (A) of paragraph (3) of subdivision (e) of Section 36 of Article XIII of the California Constitution are less than the estimated amount reflected in the Budget Act of 2012, as determined by the Director of Finance.

(c) On or before June 30, 2013, the Director of Finance shall determine if the revenues distributed to community college districts pursuant to subparagraph (A) of paragraph (3) of subdivision (e) Section 36 of Article XIII of the California Constitution exceed the estimated amount reflected in the Budget Act of 2012, and shall reduce Schedule (1) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2012 by that same amount.

(d) The Director of Finance shall notify the Chairperson of the Joint Legislative Budget Committee, or his or her designee, of his or her intent to notify the Controller of the necessity to release funds appropriated in subdivision (a) or to make the reduction pursuant to subdivision (c), and the amount needed to address the Education Protection Account shortfall determined pursuant to subdivision (b) or the amount of the reduction made pursuant to subdivision (c). The Controller shall make the funds available not sooner than five days after this notification and the Office of the Chancellor of the California Community Colleges shall work with the Controller to allocate these funds to community college districts as soon as practicable.

(e) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriations made by subdivision (a) shall be deemed to be “General Fund revenues appropriated for community college districts,” as defined in subdivision (d) of Section 41202 of the Education Code, for the 2012–13 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2012–13 fiscal year.

SEC. 88. (a) On or before June 30, 2014, an amount to be determined by the Director of Finance shall be appropriated from the General Fund to the Board of Governors of the California Community Colleges in augmentation of Schedule (1) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2013.

1 (b) The funds appropriated in subdivision (a) shall only be  
2 available to the extent that revenues distributed to community  
3 colleges pursuant to subparagraph (A) of paragraph (3) of  
4 subdivision (e) of Section 36 of Article XIII of the California  
5 Constitution are less than the estimated amount reflected in the  
6 Budget Act of 2013, as determined by the Director of Finance.

7 (c) On or before June 30, 2014, the Director of Finance shall  
8 determine if the revenues distributed to community college districts  
9 pursuant to subparagraph (A) of paragraph (3) of subdivision (e)  
10 of Section 36 of Article XIII of the California Constitution exceed  
11 the estimated amount reflected in the Budget Act of 2013 and shall  
12 reduce Schedule (1) of Item 6870-101-0001 of Section 2.00 of the  
13 Budget Act of 2013 by that same amount.

14 (d) The Director of Finance shall notify the Chairperson of the  
15 Joint Legislative Budget Committee, or his or her designee, of his  
16 or her intent to notify the Controller of the necessity to release  
17 funds appropriated in subdivision (a) or to make the reduction  
18 pursuant to subdivision (c), and the amount needed to address the  
19 Education Protection Account shortfall determined pursuant to  
20 subdivision (b) or the amount of the reduction made pursuant to  
21 subdivision (c). The Controller shall make the funds available not  
22 sooner than five days after this notification and the Office of the  
23 Chancellor of the California Community Colleges shall work with  
24 the Controller to allocate these funds to community college districts  
25 as soon as practicable.

26 (e) For purposes of making the computations required by Section  
27 8 of Article XVI of the California Constitution, the appropriations  
28 made by subdivision (a) shall be deemed to be “General Fund  
29 revenues appropriated for community college districts,” as defined  
30 in subdivision (d) of Section 41202 of the Education Code, for the  
31 2013–14 fiscal year, and included within the “total allocations to  
32 school districts and community college districts from General Fund  
33 proceeds of taxes appropriated pursuant to Article XIII B,” as  
34 defined in subdivision (e) of Section 41202 of the Education Code,  
35 for the 2013–14 fiscal year.

36 SEC. 89. (a) On or before June 30, 2014, an amount to be  
37 determined by the Director of Finance shall be appropriated from  
38 the General Fund to the Board of Governors of the California  
39 Community Colleges in augmentation of Schedule (1) of Item  
40 6870-101-0001 of Section 2.00 of the Budget Act of 2013.

1 (b) The funds appropriated in subdivision (a) shall only be  
2 available to the extent that revenues distributed to community  
3 colleges pursuant to Sections 34177, 34179.5, 34179.6, and 34188  
4 of the Health and Safety Code are less than the estimated amount  
5 reflected in the Budget Act of 2013, as determined by the Director  
6 of Finance.

7 (c) On or before June 30, 2014, the Director of Finance shall  
8 determine if the revenues distributed to community college districts  
9 pursuant to Sections 34177, 34179.5, 34179.6, and 34188 of the  
10 Health and Safety Code exceed the estimated amount reflected in  
11 the Budget Act of 2013 and shall reduce Schedule (1) of Item  
12 6870-101-0001 of Section 2.00 of the Budget Act of 2013 by the  
13 amount of that excess.

14 (d) In making the determinations pursuant to subdivisions (b)  
15 and (c), the Director of Finance shall consider any other local  
16 property tax revenues and student fee revenues collected in excess  
17 or in deficit of the estimated amounts reflected in the Budget Act  
18 of 2013.

19 (e) The Director of Finance shall notify the Chairperson of the  
20 Joint Legislative Budget Committee, or his or her designee, of his  
21 or her intent to notify the Controller of the necessity to release  
22 funds appropriated in subdivision (a) or to make the reduction  
23 pursuant to subdivision (c), and the amount needed to address the  
24 property tax shortfall determined pursuant to subdivision (b) or  
25 the amount of the reduction made pursuant to subdivision (c). The  
26 Controller shall make the funds available not sooner than five days  
27 after this notification and the Office of the Chancellor of the  
28 California Community Colleges shall work with the Controller to  
29 allocate these funds to community college districts as soon as  
30 practicable.

31 (f) For purposes of making the computations required by Section  
32 8 of Article XVI of the California Constitution, the appropriations  
33 made by subdivision (a) shall be deemed to be “General Fund  
34 revenues appropriated for community college districts,” as defined  
35 in subdivision (d) of Section 41202 of the Education Code, for the  
36 2013–14 fiscal year, and included within the “total allocations to  
37 school districts and community college districts from General Fund  
38 proceeds of taxes appropriated pursuant to Article XIII B,” as  
39 defined in subdivision (e) of Section 41202 of the Education Code,  
40 for the 2013–14 fiscal year.

1 SEC. 90. (a) On or before June 30, 2014, an amount to be  
2 determined by the Director of Finance shall be appropriated from  
3 the General Fund to the Superintendent of Public Instruction in  
4 augmentation of Schedule (1) of Item 6110-161-0001 of Section  
5 2.00 of the Budget Act of 2013.

6 (b) The funds appropriated in subdivision (a) shall only be  
7 available to the extent that revenues distributed to local educational  
8 agencies for special education programs pursuant to Sections  
9 34177, 34179.5, 34179.6, and 34188 of the Health and Safety Code  
10 are less than the estimated amount reflected in the Budget Act of  
11 2013, as determined by the Director of Finance.

12 (c) On or before June 30, 2014, the Director of Finance shall  
13 determine if the revenues distributed to local educational agencies  
14 for special education programs pursuant to Sections 34177,  
15 34179.5, 34179.6, and 34188 of the Health and Safety Code exceed  
16 the estimated amount reflected in the Budget Act of 2013 and shall  
17 reduce Schedule (1) of Item 6110-161-0001 of Section 2.00 of the  
18 Budget Act of 2013 by the amount of that excess.

19 (d) In making the determinations pursuant to subdivisions (b)  
20 and (c), the Director of Finance shall consider any other local  
21 property tax revenues collected in excess or in deficit of the  
22 estimated amounts reflected in the Budget Act of 2013.

23 (e) The Director of Finance shall notify the Chairperson of the  
24 Joint Legislative Budget Committee, or his or her designee, of his  
25 or her intent to notify the Controller of the necessity to release  
26 funds appropriated in subdivision (a) or to make the reduction  
27 pursuant to subdivision (c), and the amount needed to address the  
28 property tax shortfall determined pursuant to subdivision (b) or  
29 the amount of the reduction made pursuant to subdivision (c). The  
30 Controller shall make the funds available not sooner than five days  
31 after this notification and the State Department of Education shall  
32 work with the Controller to allocate these funds to local educational  
33 agencies as soon as practicable.

34 (f) For purposes of making the computations required by Section  
35 8 of Article XVI of the California Constitution, the appropriations  
36 made by subdivision (a) shall be deemed to be "General Fund  
37 revenues appropriated for school districts," as defined in  
38 subdivision (c) of Section 41202 of the Education Code, for the  
39 2013–14 fiscal year, and included within the "total allocations to  
40 school districts and community college districts from General Fund

1 proceeds of taxes appropriated pursuant to Article XIII B,” as  
2 defined in subdivision (e) of Section 41202 of the Education Code,  
3 for the 2013–14 fiscal year.

4 SEC. 91. Notwithstanding any other law, the funds appropriated  
5 pursuant to Items 6110-158-0001 and 6110-161-0001 of Section  
6 2.00 of the Budget Act of 2013 shall be encumbered by July 31,  
7 2014. This one-month extension of encumbrance authority is  
8 provided due to the effect of the deferral of the June 2014 principal  
9 apportionment on the budget items specified in this section. It is  
10 the intent of the Legislature that, by extending the encumbrance  
11 authority for the funds identified in this section to July 31, 2014,  
12 the funds will be treated in a manner consistent with Section 1.80  
13 of the Budget Act of 2013.

14 SEC. 92. The Legislature finds and declares that a special law,  
15 as set forth in Section 83 of this act, is necessary and that a general  
16 law cannot be made applicable within the meaning of Section 16  
17 of Article IV of the California Constitution because of the unique  
18 circumstances relating to the fiscal emergency in the Inglewood  
19 Unified School District.

20 SEC. 93. If the Commission on State Mandates determines  
21 that this act contains costs mandated by the state, reimbursement  
22 to local agencies and school districts for those costs shall be made  
23 pursuant to Part 7 (commencing with Section 17500) of Division  
24 4 of Title 2 of the Government Code.

25 SEC. 94. This act is a bill providing for appropriations related  
26 to the Budget Bill within the meaning of subdivision (e) of Section  
27 12 of Article IV of the California Constitution, has been identified  
28 as related to the budget in the Budget Bill, and shall take effect  
29 immediately.